

**Subcourse
ST6000**

Edition B

MANAGER DEVELOPMENT



**Presented by The United States Army
Training and Doctrine Command**

Subcourse ST6000, *Manager Development*

Student Assistance

Introduction

Student services counselors at the Army Institute for Professional Development (AIPD) and the author will respond promptly to *administrative* inquiries or those concerning subcourse *content*.

Administrative inquiries



Examples: Requests for

- enrollment extension.
- enrollment cancellation.
- reissue of subcourse materials.
- change of address, unit, rank.

Examples: Problems with

- examination response sheet.
- enrollment.
- social security number (SSN).
- retirement-year-ending (RYE) date.

Making an administrative inquiry

e-mail	Send inquiry by e-mail: Address: teamb@atsc.army.mil
Telephone	DSN: 927-5715/2079 or 757-878-5715/2079
Mail	Use pre-addressed TRADOC Form <u>313</u> -R to submit a written inquiry by mail. Form is found at the back of this text.

Content related inquiries



Examples: Errors in lesson or exam:

- Doctrine.
- Procedure.
- Incorrect or obsolete references.
- Typo or grammatical errors.

Examples: Confusing information:

- Contradiction.
- Redundancy.
- Too much or too little information.
- Too simple or too difficult.

Making an inquiry about content

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Telephone	DSN: 680-5684/5655 or 757-728-5684/5655
FAX	FAX TRADOC Form <u>314</u> -R (found at the back of this text). DSN: 680-5690 or 757-728-5690
Mail	Use pre-addressed TRADOC Form <u>314</u> -R to submit a written inquiry by mail. Form is found at the back of this text.

Use e-mail

For the quickest response use e-mail.

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Subcourse Overview

Introduction	This map provides general information about this subcourse.
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Purpose	To introduce new managers to the skills necessary to perform their duties at a high level in a diverse organization. For our purposes, we define a <u>manager</u> as one who supervises other managers or first level supervisors.
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Edition/date	Edition B, February 1999.
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Manager Development Course	The Manager Development Course (SDC) (131 F31) consists of a single subcourse, the one you're now reading: ST6000, <i>Manager Development</i> .
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Credit hours	The Army Institute for Professional Development (AIPD) awards 12 credit hours for successful completion of this subcourse. Credit hours awarded are based on estimated time it takes to complete requirements. Credit hours are a basis for awarding military promotion and retirement points.
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Proponent	Headquarters, US Army Training and Doctrine Command Deputy Chief of Staff for Training ATTN: ATTG-ILC Fort Monroe, VA 23651-5000
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Doctrine	Content drawn from <ul style="list-style-type: none">• formal and informal procedures in current use.• cited references.• subject matter experts.
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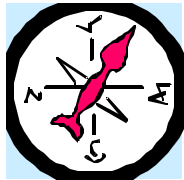
Exceptions	Here, we suggest techniques generally practiced throughout our Army and other institutions. However, some will argue, "That's not how we do it where I work." Exceptions occur because organizations are shaped by their mission, functions, local customs, or the commander's personality. When in doubt follow official publications and SOP.
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Organization and Format

Introduction This map explains how we've organized and formatted the text.

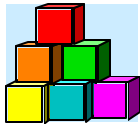
Maps



To guide you on a clear learning path, we've used Information Mapping techniques and graphics to design a visually appealing and readable text:

- Lessons are formatted as *information maps*, with each treating a single topic.
 - In most cases map content doesn't exceed one page.
 - Map titles appear in bold print at the top of each page.
 - Definitions or other emphasized words are underlined or *italicized*.
 - Graphics serve as visual metaphors to reinforce learning.
-

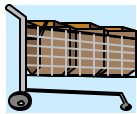
Blocks



Maps contain *information blocks*.

- Chunks of information directly tied to the main topic.
 - Blocks have bold titles at the left margin of the page.
 - Horizontal lines (ceilings and floors) mark the top and bottom of each block.
-

Lesson content



Each lesson contains

- table of contents.
 - information maps.
 - self-graded exercises.
 - answer key with feedback.
-

Gender



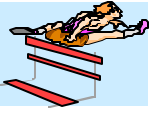

For simplicity and ease of presentation, we use masculine genders of singular pronouns to refer to both sexes.

Likewise, graphic illustrations are generic. We use them to promote interest and aid comprehension for visual learners.

Instructions

Introduction This map provides instructions and study tips.

Objective Terminal learning objective (action, condition, and standard):

Action 	You'll use techniques to enable you to <ul style="list-style-type: none">• apply management processes to your work.• identify special emphasis programs that affect managers.• assist subordinate supervisors in their professional growth.
Condition 	You'll use this text, which contains explanations, examples, and self-graded exercises. You may seek assistance from your supervisor and staff experts.
Standard	To earn credit you must score at least 70 percent on the final exam.

Instructions Please follow instructions outlined below:

Lessons & exercises	This text contains nine lessons with self-graded exercises. To gain maximum benefit, study all lessons and complete the exercises.
References	This text contains all the information needed to complete the exercises and final examination. Use references for further study.

Study tips To get the most from the text, follow these tips:

Step	Action
1	Scan the table of contents to familiarize yourself with the text.
2	Start each lesson by reviewing its objectives and table of contents.
3	Study the entire lesson.
4	Work the exercises and check your answers.

Recognition Soldiers and DA civilians:



Use your training accomplishment to gain recognition. List the Manager Development Course as a performance objective on your support form. After completing it, remind your boss to note it on your evaluation report.

Reminder



Reminder for DA civilians:

After receiving your certificate of completion, contact your training coordinator for procedures on documenting your training and having it credited to your records.

LESSON 1—ORGANIZATIONAL CULTURE

Overview

Introduction

This lesson describes various aspects of an organization's culture, culture indicators, and relationships between change and culture.

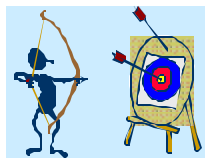
Rationale



Managers must prepare for and manage organizational change. This lesson will help you learn

- about an organization's culture.
- how organizational change affects culture.
- how culture affects organizational change.

Objectives



- Define *organizational culture*.
- Recognize indicators of organizational culture.
- Influence change in your organization.

In this lesson

This lesson contains the following topics:

Topic	See Page
Climate and Culture	1-2
Learning About Organizational Culture	1-3
Indicators	1-4
Impact of Culture on Organizational Change	1-5
Changing Culture	1-6
End-of-Lesson Exercises	1-7
Answer Key and Feedback	1-8

Climate and Culture

Introduction This map briefly describes the relationship between *climate* and *culture*.

Climate



Climate measures whether people's expectations about working in an organization are being met.

Measurements of climate can pinpoint causes of poor employee motivation.

Climate survey



One method to measure climate is through a climate survey. It can identify

- unclear organizations goals
- ambiguous roles
- pay dissatisfaction
- biased selection practices

Note: Action to address these sources of dissatisfaction tends to improve motivation. Evidence suggests that improved motivation results in improved performance.

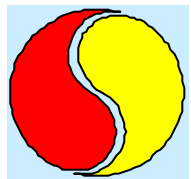
Culture



Culture is the sum of underlying assumptions, values, beliefs, attitudes, and expectations an organization's members share.

These produce norms (unwritten rules of behavior) that powerfully shape behavior of individuals and groups in an organization.

Relationship



Climate measures whether expectations are being met. It's often transitory, tactical, and manageable over the short term.

Culture is usually long-term and strategic.

Culture focuses on the nature of these expectations themselves. Culture roots are deeply held values and beliefs individuals have about organization life. These values and beliefs are manifestations of culture, not the culture itself. They create situational norms observed from behavior.

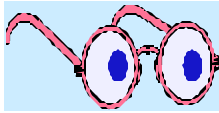
Behavior is the basis for formation of values and beliefs from which norms flow. This "closed loop" accounts for much of the persistence organizational culture exhibits. Normally, people who violate cultural norms feel pressure to conform. Group banishment may occur if norms don't change to accommodate violators.

Learning About Organizational Culture

Introduction

This map describes ways we learn about organizational culture.

Learning



We learn about organizational culture by

- systematic observation and checking.
 - surveying subordinates.
 - asking questions.
 - attending orientations and training sessions.
 - attending social functions.
 - exploring.
 - experimenting.
 - identifying.
-

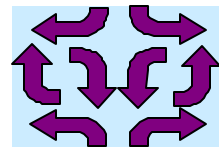
Identifying



We identify culture through

- mottos and slogans.
 - symbols and artifacts.
 - language and jargon.
 - appearance and dress code.
 - rituals, customs, and behaviors.
 - norms, rules and expectations.
-

Frequent changes



Frequent changes may raise cultural issues:

- Re-structuring (resulting in merging cultures).
 - Reductions in Force.
 - Societal changes.
 - Work force changes (ethnic, age groups, or educational levels).
 - Mission changes.
-

Indicators

Introduction

This map describes indicators to use in cultural assessment.

Indicator	Description
Communication	Note perceptions of upward and downward flow of information. <ul style="list-style-type: none">• Does management communicate with the organization about changes?• Is management aware of employee attitudes, problems, or ideas?• Do employees know expected results from work assignments?• Are employee communications free flowing, honest, and open?
Task support	Note degree of free information exchange, willingness to help, ability to work together towards objectives, and ability to get necessary information from other work groups.
Task innovation	Identify perceptions of openness to new ideas and approaches. Check frequency of discussions of new ways of doing things and of development of ideas presented to management for action.
Social relationships	Focus on freedom of employees to develop social relationships and participate in social activities. The question is “Do people have good working relationships?”
Personal freedom	Look at the freedom employees have to do their job. <ul style="list-style-type: none">• Can they express personal preferences on the job?• How much freedom do they have to believe in their personal values as opposed to the organization’s value?
Supervisory effectiveness	Focus on perceptions of supervisory effectiveness. Do you provide performance feedback? Is assistance given in solving work problems?
Morale	Compare group with other groups as a place to work. Do members see themselves having a desirable future in the organization? Assess morale in your unit. How do people feel about their work? Would you stay if offered a comparable job elsewhere?
Working conditions	Analyze the perceptions of the quality of work space, facilities, and equipment.
Level of awareness	Examine basic assumptions and their patterns. Uncovering assumptions is like trying to bring to the surface something hidden but not concealed deliberately. It is taken for granted and escapes notice until it becomes visible once it has surfaced into consciousness.
Dynamic consequences	Visualize how one indicator connects to and affects others. Note how meanings of various experiences translate into behaviors. In short, everything affects everything else.

IMPACT OF CULTURE ON ORGANIZATIONAL CHANGE

Introduction

This map discusses how culture can affect organizational change.

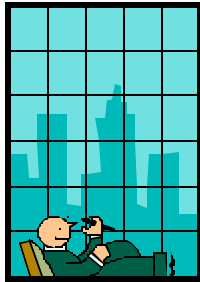
Risk



Being the boss doesn't confer a license to violate the organization's culture. Groups tend to choose leaders who most embody group norms.

One leadership risk in a changing environment is the requirement to violate norms on which the leader's selection was based. Deep resentment and resistance nearly always results.

Example



The chairman of a large oil corporation led his company through a major restructuring to prepare for a world of reduced crude oil margins, less favorable tax treatment, and the possibility of a hostile takeover.

His strategy included

- using an influx of outside professionals to staff the planning effort.
 - changing marketing from emphasis on volume to a focus on profit.
 - drastically reducing costs.
 - diversifying outside the energy field.
-

Impact



To many executives, the chairman violated core beliefs on which the corporation based its culture. He then realized the executives' beliefs blocked him from heading in a new direction.

After he resigned, the company's leadership group returned to the former practices that had served them and their company well in the past.

Lesson learned



The chairman discovered that culture could significantly alter or blunt the intended effect of even feasible changes in an organization. A lack of fit between culture and planned changes may prevent a new measure from taking hold. Too often, result is, "We tried but it didn't work the way we thought it would."

Here, we either change the culture to fit the strategy or the strategy to fit the culture.

Changing Culture

Introduction

This map describes techniques for effecting cultural change.

Impetus



A specific event or situation usually triggers an organization's decision to change its culture. A change in the world situation, mission, technology, or a reduction in force could provide the impetus.

Examples:

- Re-structuring that results in merging cultures.
 - Reductions in force.
 - Societal changes.
 - Work force changes (ethnic or age groups, educational, or experience).
 - Mission changes.
-

Primary techniques



A cultural change is a long-term effort taking at least five to ten years to complete.

Two techniques are primary to a successful culture change:

- Top management must totally commit to change in words and deeds.
 - Organizations must be provided training, promoting and developing skills related to their desired values and beliefs.
-

Other techniques



Effecting cultural change may require a combination of techniques, not just the two most important.

Other techniques:

- Distributing a written statement of desired values and beliefs to organization members.
- Creating a specific leadership style reinforcing desired values and beliefs.
- Offering rewards, incentives, and promotions to encourage behavior that reinforces these values and beliefs.
- Holding company gatherings to discuss these values and beliefs.
- Developing an organizational culture supporting these values and beliefs.
- Using systems and processes to support organizational values.
- Using stories, legends, myths, and slogans to communicate values.

Note: Experts claim we could use these same techniques to perpetuate as well as change organizational culture.

Lesson 1—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

- 1. **Culture is the sum of underlying assumptions, values, beliefs, attitudes, and expectations that an organization's members share.**
 - 2. Culture is short term and transitory.
 - 3. We learn about organizational culture through exploring.
 - 4. Frequent changes have no bearing on organizational culture.
 - 5. Supervisory effectiveness is an indicator of organizational culture.
 - 6. Groups tend to choose leaders who most embody group norms.
 - 7. Organizational culture can alter the impact of change.
 - 8. Cultural change usually takes little time or effort to take effect.
-

Lesson 1—Answer Key and Feedback

Instructions Correct answers and page references cited below.

TRUE ***1. CULTURE IS THE SUM OF UNDERLYING ASSUMPTIONS, VALUES, BELIEFS, ATTITUDES, AND***
expectations that an organization's members share. (Page 1-2, Culture)

FALSE 2. Culture is short term and transitory. (Page 1-2, Relationship)

TRUE 3. We learn about organizational culture through exploring. (Page 1-3, Learning)

FALSE 4. Frequent changes have no bearing on organizational culture.
(Page 1-3, Frequent changes)

TRUE 5. Supervisory effectiveness is an indicator of organizational culture.
(Page 1-4, Supervisory effectiveness)

TRUE 6. Groups tend to choose leaders who most embody group norms. (Page 1-5, Risk)

TRUE 7. Organizational culture can alter the impact of change. (Page 1-5, Lesson learned)

FALSE 8. Cultural change usually takes little time or effort to take effect.
(Page 1-6, Primary techniques)

Lesson 2—Planning, Programming, Budgeting, and Execution System (PPBES)

OVERVIEW

Introduction

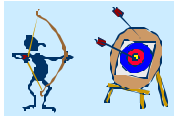
This lesson briefly describes the Army resource system—Planning, Programming Budgeting and Execution System (PPBES).

Rationale



Planning, programming, and establishing priorities are essential elements in determining if you get resources for your organization.

Objectives



- Identify the four phases of PPBES.
- Identify your role as a manager in the PPBES process.
- Identify items covered in organization budget guidance.
- Recognize resource acronyms.

In this lesson

This lesson contains two sections, as shown below:

Section A:

Main topics

Topic	See Page
PPBES	2-2
Stages in the Budgeting Process	2-4
Management Decision Packages (MDEPs)	2-6
The Manager's Role in the PPBES	2-7
Review and Analysis (R&A)	2-9
Initial and Organization Budget Guidance	2-11
Priorities	2-12
Budget Execution and Reallocation	2-13

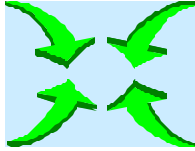
Section B:

Back matter

Topic	See Page
Acronyms and References	2-14
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Answer Key and Feedback	2-16

PPBES

Introduction



This map defines PPBES and describes its four phases.

- Planning
- Programming
- Budgeting
- Execution.

Definitions



PPBS denotes the DoD Planning, Programming, and Budget System.

PPBES denotes the Army's system, which adds an execution phase to PPBS.

Phase I: Planning



The planning phase identifies force requirements, sets objectives, and establishes guidance to allocate resources.

Army Guidance (AG) is published in four volumes and released at intervals during the two-year budget cycle.

- AG I contains The Army Plan.
- AG II establishes Program Development Guidance.
- AG III provides supplemental planning and program guidance.
- AG IV issues guidance for writing the Program Objective Memorandum (POM).

POM

The Program Objective Memorandum (POM)

- provides the framework for Army resource planning.
- provides guidance for programming and budgeting.
- identifies trends influencing the mission and The Army Plan (TAP).

TAP



The Army Plan (TAP)

- documents policy.
- provides resource guidance for the mid-range period.
- incorporates force levels resulting from Total Army Analysis and Force Integration Analysis into information from other plans.

Publication of TAP signals the end of the planning phase.

Continued on next page

PPBES, Continued

Phase II: Programming

The programming phase provides the basis for preparing Army budget estimates for the next five years, as stated in the POM. Each year, the Secretary of Defense reviews the POM and issues a Program Decision Memorandum (PDM), which reflects DoD program decisions.

Phase III: Budgeting



The budgeting phase includes three stages (discussed on the next map):

- Formulation.
 - Justification.
 - Execution.
-

Phase IV: Execution



This phase covers reports on program effectiveness and budget accomplishments. Program objectives are reviewed, assessed, and considered along with other performance systems in a cross-functional review through the Program Performance and Budget Execution Review System.

During this phase, the Army manages and accounts for funds used to carry out approved programs. For managers, this means evaluating and reporting the effectiveness of program and budget accomplishments.

Each quarter, the Army reviews its programs, compares performance with objectives, and adjusts accordingly.

Stages in the Budgeting Process

Introduction This map discusses three stages in the budgeting phase:

- Formulation.
- Justification.
- Execution.

Formulation stage Resource managers convert the first two years of the program into Army Budget Estimates.

These documents are used in formulation stage:

Document	Description
BES Guidance	<u>Budget Estimates Submission (BES) Guidance</u> : Provided after POM approval reflecting new requirements and Congressional changes. Includes <ul style="list-style-type: none">• budget year (BY) guidance for preparing budget estimates.• authorization estimate guidance.• other guidance related to all sections of the budget.
BES	<u>Budget Estimates Submission (BES)</u> : Coordinated document based on approved POM as modified by the PDM. (Covers prior year, current year, the two BY, and the three years beyond the BY.)
PBG	<u>Program and Budget Guidance (PBG)</u> : Transmits available dollar and manpower resource data from DA to the major commands (MACOMS). This guidance updates existing resource programs to reflect current decisions.
CBE	<u>Command Budget Estimate (CBE)</u> : MACOM and installation input document showing the command's operating program for prior year, current year, and requirements for upcoming fiscal years.
RMU	<u>Resource Management Update (RMU)</u> : MACOM and installation document used to update CBE in the second of two budget years.

Justification stage The Army justifies its budget estimates in Congressional hearings. Here Army staffers answer questions and provide information on various appropriations.

Execution stage During this stage, approved programs receive congressionally approved resources (manpower and appropriated funds). The Army

- manages the funds to carry out approved programs.
- evaluates how well agencies apply resources to achieve program objectives.
- adjusts resource requirements based on execution feedback.



Management Decision Packages (MDEPs)

Introduction

This map explains the purpose of Management Decision Packages (MDEPs).

MDEPs



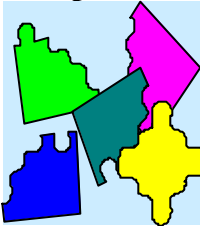
We use MDEPs to monitor, analyze, and account for program resources. Since these documents are resource packages, it's important to know about specific MDEPs supporting your program.

MDEP POC

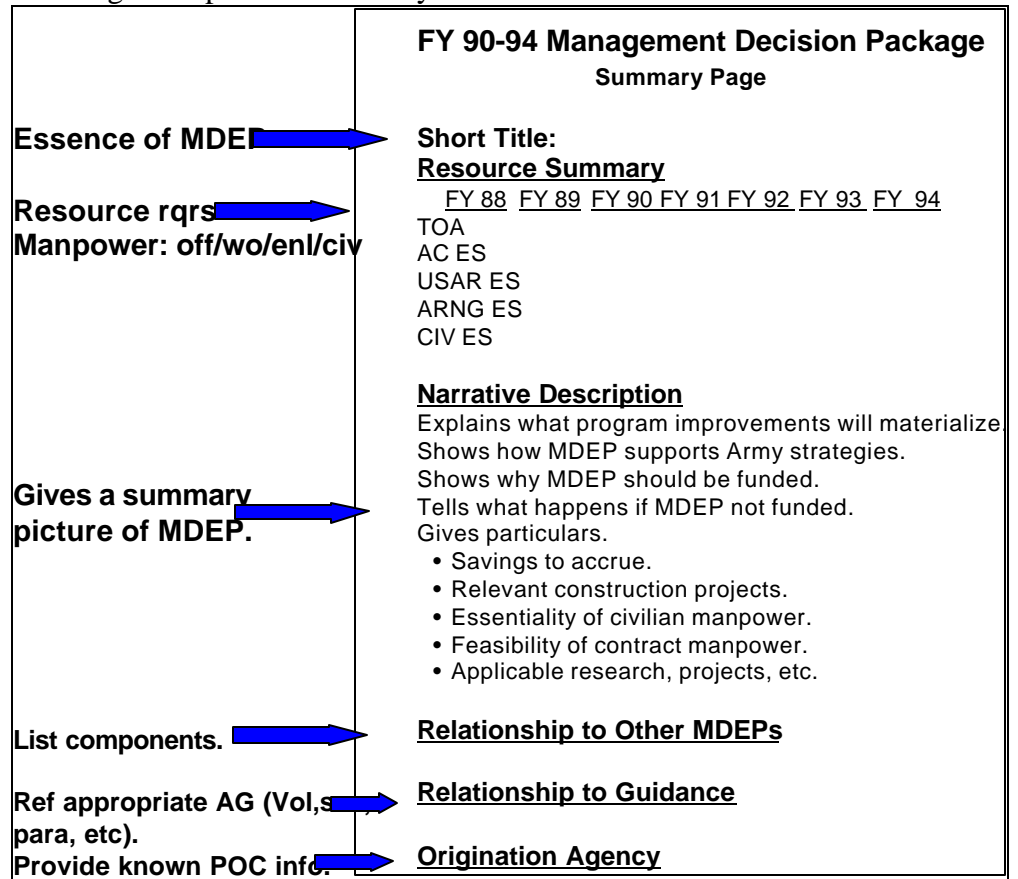


Maintain contact with local and Army MDEP points of contact. Most managers never see the MDEP for their program; however, you should know which MDEPs support it. The more you know, the better you can defend resource requirements.

MDEP Components



This diagram depicts the MDEP system.



The Manager's Role in the PPBES

Introduction

This map explains the manager's role in the PPBES.

Manager's role



The manager provides budget and cost estimates for his operation. This includes costs for civilian labor, equipment maintenance, supplies, contracts, TDY, and training.

He also provides impact statements for unfinanced requirements (UFR).

Resource managers



As the year progresses, resource managers in coordination with other managers review unexpended funds. They also establish priorities for UFRs by reviewing fund expenditures.

This points to the importance of participation in the process and the justifications you write supporting your programs to determine if funds can be transferred from under-performing accounts to high priority UFRs.

Mission requirements



Know your mission and requirements. Work closely with the MDEP POC to learn in advance if decisions may affect your program. You are responsible for linking resources with MDEP workload and articulating the impact of changes in resources on missions.

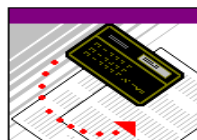
Establish output measures related to organizational goals. Submit accurate data that your mission can justify.

Committees



Keep staff informed of resource actions affecting their areas. Participate in The Program Resource Advisory Committee (PRAC) and Program Budget Advisory Committee (PBAC) meetings. These committees determine who gets funding and which POM narratives to forward. These meetings are opportunities to defend requirements.

Cost estimates



Base cost estimates on real data. Principal sources are historical records, planning and budget guidance, and cost factor handbooks (CFH).

CFH contain personnel and nonpersonnel costs, workload factors, inflation factors, and formulas to help you calculate.

Continued on next page

The Manager's Role in the PPBES, Continued

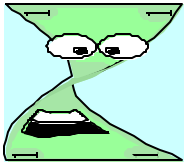
Contracting POC



Depending on the item or services, contact your contracting, purchasing, or supply offices to determine how they can help you. If local vendors provide the product or services you desire, call them to check their prices.

Caution: You can't make commitments when requesting information outside of procurement channels. You can only make inquiries. Only the contracting officer can obligate funds. The bottom line is to get sufficient information before submitting budgets or cost estimates.

Shrinking Dollars



The changing face of the Army presents enormous challenges for you. Missions are changing and in many instances increasing while resources (both dollars and manpower) are decreasing.

The challenge is to accomplish the mission within resource guidelines. To do that, you must be totally familiar with the PPBES.

Excess funds



Use funds only for the intended purpose. Excess funds may not be obligated, disbursed, nor further distributed.

When these controls are not adhered to, the agency head fixes responsibility for violations.

Review and Analysis (R&A)

Introduction

This map explains the R&A process.

Definition

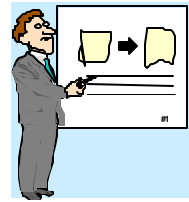


R&A is

- a measurement tool to report and justify resources.
- the critical examination of all facets of mission and activity.
- a management process used to compare and evaluate actual performance against established goals or targets.

Managers usually provide quarterly R&A updates on the status of their projects.

Process



R&A

- explains and interprets deviations, deficiencies, and trends.
 - is the basis for command decision making and measuring progress against objectives.
 - provides a system for correcting performance deviations. Most organizations have a formal R&A process.
-

R&A data



Use information sources to remain updated and prepare for R&A updates:

- Staff meetings.
 - Committee meetings.
 - Minutes of staff conferences.
 - Briefings.
 - External reports to higher headquarters.
 - Inspection reports.
 - Program and budget documents.
 - Personal visits and contacts.
 - Automated reports.
-

Continued on next page

Review and Analysis (R&A), Continued

Questions



As a part of the R&A process, the following represent some questions managers should consider in reviewing their programs:

- Are we meeting or did we meet our objectives? If not, why?
 - Was the job done as well as it could have been? If not, why?
 - Were program goals realistic? Do they need to be revised?
 - How do actual costs compare with programmed, budgeted, or estimated costs?
 - What were the reasons for any deviations?
 - Are corrective actions required?
 - Should resources be reprogrammed or reallocated?
-

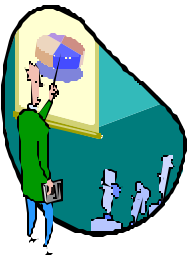
Resource challenges



Your challenge is to accomplish missions with resources provided. This is more difficult as funds continue to diminish. In addition, funds may have restrictions on their use, and new initiatives are constantly affecting resource decisions.

R&A is more than a status report. It's the vehicle commanders use to make intelligent decisions about conserving resources and improving productivity. You are an active player in this process.

Manager's role in R&A



The Manager's Role in R&A:

- Develop goals and objectives.
 - Establish management indicators.
 - Review and analyze performance.
 - Identify areas requiring change.
 - Provide written directives.
 - Evaluate performance.
 - Assist in planning, programming, and budget decisions.
 - Provide historical documentation.
-

Initial and Organization Budget Guidance

Introduction

This map describes initial and organization budget guidance.

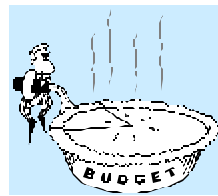
Initial budget guidance



Budget preparation is an ongoing process during the year. As programs are executed, data on excess dollars and shortages should be recorded for future planning purposes.

The mid-year review in April may be an opportunity to adjust the budget to gain more resources through reprogramming. It's also possible that some year-end money may become available.

Reviewing personnel cost



When its time to review personnel cost, always:

- include anticipated staffing changes.
 - include numbers of personnel, proposed grades, and projected hire and loss dates.
 - instruct division and branch chiefs to compare monthly budgeted vs. actual expenses.
 - determine the reason for any differences.
-

Organization budget guidance

This table describes what should be covered in organization budget guidance.

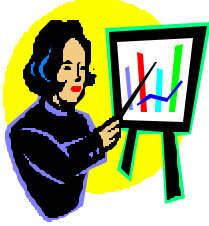
Item	Description
Peculiarities	Explain peculiarities such as organization-wide expenses that will be carried in a certain element of resource (EOR).
Standards	Describe the standards for development of new goals and objectives to support budget submissions.
EOR	List EOR accounts to be used and a description of each.
AMSCO	Describe AMSCO that will be used for training development
Points of contact (POC)	Remind POCs who can assist in budget preparation: <ul style="list-style-type: none">• Budget Office.• Program management office.• Deputy or XO.• Resource management office.
Motivate	Motivate people to excel in preparing their submissions.

Priorities

Introduction

This map discusses how to set priorities in the budgeting process.

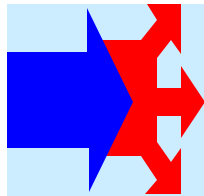
Tips for getting what you need



To get what you need

- anticipate requirements and ask for them in time.
 - coordinate with the DRM to get the issues into the installation program.
 - monitor issues in the program.
 - monitor progress of the budget, from issue identification through resource commitment.
 - ensure dollars and manpower earmarked for your issues get to your organization.
 - articulate your organization's requirement so they receive the correct priority on the installation's list.
-

Setting priorities



Available funding may not cover all organization missions and requirements. It's then up to you to determine the relative order of importance among competing programs and requirements. This will ultimately result in an organization budget submission to include a priority list of UFRs.

The better job you do at setting priorities, the better chance you have of getting your organization's top priority programs funded.

Funding decisions and priority reshuffling occur on a nearly constant basis, but it must start with the most important programs getting funded first.

Budget Execution and Reallocation

Introduction

This map explains budget execution and reallocation of resources for the execution year.

Budget execution and reallocating resources

The budget could be under a continuing resolution authority when the FY begins.

Under a continuing resolution authority

- all contracts are subject to availability of funds.
 - you can hire new people.
 - spending guidance is given for the resolution period.
-

Tools



To do this you will need

- your organization budget for the current FY.
 - local policy on monthly and quarterly budget execution reports.
 - local requirements and guidance on tracking budget execution.
-

Execution and reallocation



If managed properly, the budget will be maintained throughout the FY and funds spent as budgeted unless reallocated. Reallocations or reapportionment must be in accordance with local policy and sound fiscal management practices.

You and staff involved in tracking the budget may perform this task.

Occasions



Specific occasions:

- When you receive initial budget guidance for the FY under a continuing resolution authority.
 - When the actual budget figures for the organization are received as part of the final COB and the actual allocation of resources for the FY is less than what was requested for the program.
 - At monthly, quarterly, and midyear reviews.
 - Unplanned actions that affect the organization.
 - If end-of-year funds are available.
-

Section B—Back Matter

Acronyms and References

Introduction

This map lists acronyms and references.

Acronym	Description
AAA	Army Audit Agency
AG	Army Guidance
AMSCO	Army Management Structure Code
BES	Budget Estimates Submission
BY	Budget Year
CBE	Command Budget Estimate
CFH	Cost Factor Handbook
COB	Command Operating Budget
DBOF	Defense Business Operations Fund
DG	Defense Guidance
DoD	Department of Defense
DRM	Directorate of Resource Management
EOR	Element of Resource
FY	Fiscal Year
GAO	General Accounting Office
IG	Inspector General
MACOM	Major Command
MDEP	Management Decision Package
PBG	Program Budget Guidance
PDM	Program Decision Memorandum
POC	Point of Contact
POM	Program Objective Memorandum
PPBES	Planning, Programming, and Budget Execution System
PBAC	Program Budget Advisory Committee
PRAC	Program Resource Advisory Committee
R&A	Review and Analysis
RMU	Resource Management Update
TAP	The Army Plan
UFR	Unfinanced Requirement

References

AR 1-1, *Planning, Programming, and Budgeting Within the Department of the Army*
AR 37-1, *Army Accounting and Fund Control*.
AR 37-100-XX, *The Army Accounting Classification Structure (Fiscal Code)*.

Lesson 2—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

- _____ 1. The POM identifies trends influencing the mission.
 - _____ 2. Publication of TAP signals the end of the planning phase.
 - _____ 3. The PDM reflects Army programming decisions.
 - _____ 4. DA transmits PBG to MACOMs.
 - _____ 5. MDEPs are resource packages.
 - _____ 6. Managers are not eligible to serve on PBACs.
 - _____ 7. PRACs and PBACs determine who gets funding.
 - _____ 8. Managers may obligate excess funds.
 - _____ 9. R&A has no system for correcting performance deviations.
 - _____ 10. The budget may be adjusted during the mid-year review.
-

Lesson 2—Answer Key and Feedback

Instructions Correct answers and page references cited below.

- TRUE 1. The POM identifies trends influencing the mission. (Page 2-2, POM)
- TRUE 2. Publication of TAP signals the end of the planning phase. (Page 2-2, TAP)
- FALSE 3. The PDM reflects Army programming decisions. (Page 2-3, Phase II: Programming)
- TRUE 4. DA transmits PBG to MACOMs. (Page 2-4, PBG)
- TRUE 5. MDEPs are resource packages. (Page 2-6, MDEPs)
- FALSE 6. Managers are not eligible to serve on PBACs. (Page 2-7, Committees)
- TRUE 7. PRACs and PBACs determine who gets funding. (Page 2-7, Committees)
- FALSE 8. Managers may obligate excess funds. (Page 2-8, Excess funds)
- FALSE 9. R&A has no system for correcting performance deviations. (Page 2-9, Process)
- TRUE 10. The budget may be adjusted during the mid-year review.
(Page 2-11, Initial budget guidance)
-

LESSON 3—ARMY ENVIRONMENTAL PROGRAM

OVERVIEW

Introduction This lesson briefly describes the Army Environmental Program and the implications it holds for managers.

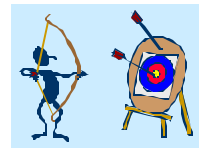
Rationale Whether you work for government at any level or private industry, you must consider the affect your activity has on the environment.

Environmental issues are everybody's business.



Objectives

- Identify four facets of the Army Environment Program.
- Identify Army environmental requirements.
- Describe manager roles and responsibilities for the environment.
- Explain what can happen if a manager fails to meet environmental requirements.



In this lesson This lesson contains the following topics:

Topic	See Page
Environmental Protection Laws	3-2
Army Environmental Program—Framework	3-3
Requirements	3-4
Roles and Responsibilities	3-5
Liability	3-6
End-of-Lesson Exercises	3-7
Answer Key and Feedback	3-8

Environmental Protection Laws

Introduction

This map briefly describes environmental protection laws.

Laws

These three laws cover environmental protection activities.

NEPA



The National Environmental Policy Act (NEPA).

Requires managers to consider environmental effects of proposed major actions through environment assessments and impact statements.

CERCLA



Comprehensive Environmental Response Compensation and Liability Act (CERCLA).

Better known as "The Superfund," CERCLA is designed to remedy past mistakes in hazardous wastes management by regulating their cleanup.

RCRA



The Resource Conservation and Recovery Act of 1976 (RCRA).

Establishes guidelines and standards for hazardous waste transportation, storage, and disposal.

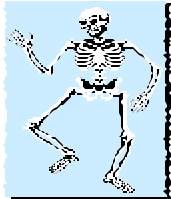
Regulates the avoidance of potential threats to human health and the environment.

Army Environmental Program—Framework

Introduction

This map describes the framework of the Army Environmental Program.

Framework



The Army Environmental Program establishes the framework to ensure continued success of the Army mission. This program has four facets:

- Compliance.
 - Restoration.
 - Prevention.
 - Conservation.
-

Compliance



Compliance ensures current operations comply with environmental standards to meet federal, state, local, and host nation requirements.

Environmental compliance is expensive, so managers must plan, budget, train people, and pay for it out of operational resources.

Restoration



Restoration

- identifies risks and cleans up sites contaminated by previous activities at Army installations.
 - demolishes and removes unsafe buildings.
-

Prevention



Prevention reduces pollution and other environmental problems:

- Changing process inputs and using less toxic materials.
 - Changing the process often by increasing efficiency.
 - Changing the outputs by creating less harmful products.
 - Reusing materials and by-products.
 - Incorporating pollution prevention technology in treating residuals.
-

Conservation







Conservation

- reduces use of fuels that release pollutants or less environmentally harmful fuel sources.
 - replaces and upgrades equipment with that which has pollution prevention technology.
-

Requirements

Introduction This map explains Army environmental requirements.

Requirements Range of activities covered by the Army Environmental Program:

	<ul style="list-style-type: none">• Strict drinking water standards.• Erosion control for conservation.• Intensive landfill management.• Historic preservation requirements.
	<ul style="list-style-type: none">• Accountable hazardous waste disposal.• Underground storage tank management.• Management of non-degradable compounds.
	<ul style="list-style-type: none">• Radon gas testing.• Asbestos removal & disposal.• Waste minimization & recycling.
	<ul style="list-style-type: none">• Extensive endangered species protection.• Environmental awareness training.• Environmental noise monitoring.

Emphasis



While managers should be aware of the full range of environmental concerns, they should focus on those most affecting their location.

For example, these activities occurring at most installations bear scrutiny, and they can easily lead to prosecution if ignored or mismanaged.

- Hazardous waste handling and disposal.
 - Erosion control.
 - Endangered species protection.
-

References



To learn more about environmental requirements, consult these references:

- AR 200-1, *Environmental Protection and Enhancement*.
 - AR 200-2, *Environmental Effects of Army Actions*.
 - TC 5-200, *Unit Leaders Handbook for Environmental Stewardship*.
-

Roles and Responsibilities

Introduction

This map discusses manager roles and responsibilities in protecting the environment.

Roles



Managers play several roles in environmental activities.

Activity	Description
<i>Planner</i>	Prepare or assist in preparing environmental documentation as part of planning for an activity or construction project.
Adviser	Recommend hazardous materials (or non-hazardous alternatives) for purchase.
<i>Committee member</i>	Serve as a member on the installation Environmental Quality Control Committee (EQCC).
Information source	Be interviewed in a regulatory compliance inspection or an Army Environmental Compliance Assessment System (ECAS) audit.

Responsibilities



Managers at all levels must

- ensure compliance with federal, state, and local environmental laws.
 - emphasize prevention. This avoids situations that lead to court cases.
 - consider environmental implications of decisions—never assume there isn't an impact.
 - consult experts when uncertain.
 - become familiar with environmental regulations.
-

Assistance



To play roles and discharge responsibilities properly, seek assistance from the Environmental Management Team at your installation.

Typical membership:

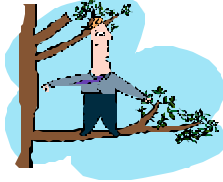
- Director of Engineering and Housing.
 - Environmental experts.
 - Safety Officer.
 - Legal Officer.
 - Medical Officer.
 - Public Affairs Officer.
-

Liability

Introduction

This map explains what can happen if a manager fails to comply with environmental requirements for which he is responsible.

No immunity



Some managers wrongfully assume they're immune from penalty for violating environmental laws within their area of responsibility.

This isn't true. Managers who fail to meet their environmental responsibilities can be held liable for their actions and their subordinates'.

Prosecution



If a state prosecutes a federal employee, he may be represented by the Department of Justice if

- actions in question reasonably appear to have been performed within the scope of employment.
- representation would be in the interest of the United States.

Violating environmental laws is generally not considered to be "within the scope" of one's employment or in the interest of the United States government.

Costs



In cases of federal prosecution, Congress has removed federal immunity. DoD personnel must provide legal defense at personal expense.

Even if exonerated, one is still responsible for the payment of all court costs incurred.

Lesson 3—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

- _____ 1. The Superfund is used to fix past environmental mistakes.
 - _____ 2. Conservation is a part of The Army Environmental Program.
 - _____ 3. Noise monitoring is not an environmental concern.
 - _____ 4. Managers should focus on the full range of environmental concerns.
 - _____ 5. Federal managers must comply with state environmental laws.
 - _____ 6. Department of Justice will represent a federal employee in an environmental case,
EVEN IF IT'S NOT IN THE BEST INTEREST OF THE UNITED STATES.
 - _____ 7. In a federal prosecution, the defendant pays court costs, regardless of verdict.
-

Lesson 3—Answer Key and Feedback

Instructions

Correct answers and page references cited below.

- TRUE 1. The Superfund is used to fix past environmental mistakes. (Page 3-2, CERCLA)
- TRUE 2. Conservation is a part of The Army Environmental Program.
(PAGE 3-3, CONSERVATION)
- FALSE 3. Noise monitoring is not an environmental concern. (Page 3-4, Requirements)
- FALSE 4. Managers should focus on the full range of environmental concerns.
(PAGE 3-4, EMPHASIS)
- TRUE 5. Federal managers must comply with state environmental laws.
(PAGE 3-5, RESPONSIBILITIES)
- FALSE 6. Department of Justice will represent a federal employee in an environmental case,
EVEN IF IT'S NOT IN THE BEST INTEREST OF THE UNITED STATES. (PAGE 3-6,
PROSECUTION)
- TRUE 7. In a federal prosecution, the defendant pays court costs, regardless of verdict.
(PAGE 3-6, COSTS)
-

LESSON 4—EQUAL EMPLOYMENT OPPORTUNITY (EEO)

OVERVIEW

Introduction

This lesson explains manager responsibilities for EEO.

Rationale



Managers must follow EEO policy to ensure equal evaluation, consideration, and treatment based on merit and fitness, without regard to race, national origin, color, religion, sex, age, or physical impairment.

Objectives



- Define EEO-related terms.
 - Take measures to prevent sexual harassment.
 - Avoid EEO complaints.
 - Develop an affirmative employment plan.
-

In this lesson

This lesson contains the following topics:

Topic	See Page
EEO Policy	4-2
Sexual Harassment	4-3
EEO Complaints	4-4
Employment Interviews	4-5
Affirmative Employment Plan	4-6
EEO Tips	4-7
References	4-8
End-of-Lesson Exercises	4-9
Answer Key and Feedback	4-10

EEO Policy

Introduction This map explains EEO policy and defines terms.

Policy



All federal employees and job applicants must be afforded equal opportunity in employment-related matters.

To ensure that all have equal opportunity, agencies must protect employment rights and address under-representation and employment concerns of women, minorities, and people with disabilities.

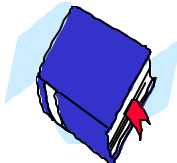
Threats



Overt and systemic discrimination can threaten EEO through

- discriminatory practices.
 - disparate treatment.
 - disparate impact.
-

Terms



Discriminatory practices: Practices that interfere with an individual's right to equal opportunity in employment-related issues.

Examples:

- Bias in management decisions.
- Presence of a hostile work environment (inappropriate language, jokes, harassment, inaccessible facilities and programs).
- Failure to uphold merit principles.

Disparate treatment: Treating people differently from others because of race, religion, color, sex, age, origin, or disability.

Disparate impact: Application of a system (e.g., training or merit promotion) that appears to treat everyone alike but adversely affects a certain group.

Reprisal: Action taken against an employee or job applicant for engaging in a protected civil rights activity.

Tips



- Neither discriminate against nor give preference to someone because of race, color, sex, national origin, age, or disability.
 - Act at once to correct discriminatory behavior or disparate treatment.
 - Consult EEO experts on ways to support affirmative employment efforts.
 - Support employees serving in collateral EEO positions.
-

Sexual Harassment

Introduction

This map defines sexual harassment and suggests ways to prevent it.

Definition



Sexual harassment is a form of sex discrimination involving

- unwelcome sexual advances.
 - requests for sexual favors.
 - verbal or physical conduct of a sexual nature.
-

Occurrence

Sexual harassment occurs when

- submission to or rejection of such conduct is made either explicitly or implicitly a term or condition of a person's job, pay, career, or
 - submission to or rejection of such conduct by a person is used as a basis for career or employment decisions affecting that person, or
 - such conduct has the purpose or effect of unreasonably interfering with one's performance or creates an intimidating, hostile, or offensive environment.
-

Sex role static

Sex role static is a type of stereotyping based on everyday, customary remarks or actions that focus on gender. Comments are usually unthinking and undirected. They may or may not constitute discriminatory behavior.

Examples: Address an employee as *baby, honey, sweetheart, girl, or boy.*

Training



Prevention of Sexual Harassment (POSH) training is an annual requirement.

Managers should ensure their employees attend training and discuss with them Army policy prohibiting sexual harassment.

Prevention



Managers must take these measures to prevent sexual harassment:

Maintain a work environment free from any behavior that may create a hostile environment.

Monitor cues in the environment.

Counsel or discipline employees who violate standards.

Set the example through high standards and proper behavior.

Stress personal support for EEO policy.

EEO Complaints

Introduction This map briefly describes the nature of EEO complaints.

EEO complaints



Employees may file complaints if they perceive discrimination based on

- race.
- sex.
- color.
- religion.
- national origin.
- age.
- disability.

One usually files a complaint through the EEO Office. Managers should work with that office and the complainant to resolve complaints informally.

Formal complaints



When attempts to resolve a complaint informally fail, the complainant may file a formal complaint. These are time consuming and costly to all involved. In a formal complaint, the alleged discriminatory agency must pay processing costs.

Supervisors can help employees, their organizations, and themselves by resolving potential EEO complaints informally and promptly.

Traps to avoid



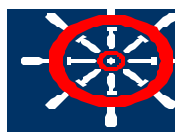
You're inviting an EEO complaint if you

- make decisions on employment or training opportunities based on a person's race, sex, national origin, color, religion, age, or disability.
 - pre-select or favor some employees with details or training so they will gain a higher ranking on a merit promotion list.
 - fail to offer accommodation to a disabled person when needed for the job.
 - improperly conduct an employment interview. (See the next map.)
-

Employment Interviews

Introduction This map describes how to conduct employment interviews fairly.

Guidelines



Use employment interviews to verify existing information or gather new information. They're not required if you have adequate information about the candidates. However, check your labor agreement and merit promotion plan. If unsure about the pertinence of interview questions, contact CPAC or EEO rep.

Tips

To conduct an effective employment interview, follow these tips:

Tip	Description
1	Avoid actions that could invite grievances or EEO complaints: <ul style="list-style-type: none">• Administering a performance test.• Asking about the employee's personal life or appearance.• Asking about union activities or membership.• Asking "trick" questions.• Being argumentative, rude, sexist, or biased.• Leading the candidate to believe he was selected.• Divulging confidential information.• Asking about child-care arrangements or "commitment."
2	Review candidate's application before the interview to identify possible gaps, inconsistencies, or areas for clarification.
3	Arrange an interview location free of distractions.
4	Be businesslike: polite and pleasant but not too solicitous.
5	Set the candidate at ease before getting to the heart of the interview.
6	Use short, clear questions. Be practical rather than theoretical.
7	Use active listening skills.
8	Allow each candidate about the same amount of interview time.
9	Stick to interview questions or checklist and keep notes.
10	Don't make any employment commitments.
11	Encourage questions about the organization.
12	Tell applicants when you'll make a decision and who will contact them.

Impressions



Review interview results in context. Don't judge someone on how well he responded in one interview.

Most jobs require more than verbal or social skills.

Affirmative Employment Plan

Introduction

This map explains how to develop an affirmative employment plan.



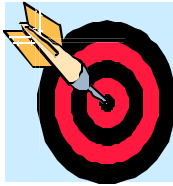

Definition



An affirmative employment plan is a means to seek a work force that represents the surrounding community. It's a formal plan to find ways to extend equal employment opportunities to all members of the community. It's not a plan to hire members of a specific group.


Steps

This map outlines steps for developing an affirmative employment plan.

Step	Action
1 	<u>Analyze the work force:</u> <ul style="list-style-type: none">• Review composition of local work force.• Review composition of national work force.• Determine organization work force makeup.• Establish work force target population.
2 	<u>Identify problems or barriers:</u> <ul style="list-style-type: none">• List problems or barriers.• Evaluate problems or barriers for resolution.
3 	<u>Establish objectives</u> to correct each problem: <ul style="list-style-type: none">• Develop plan to resolve problems and barriers.• Coordinate with EEO Office.• Implement plan.• Evaluate the plan annually.• Update the plan annually.
4 	Implement through <ul style="list-style-type: none">• recruitment.• selection.• training. <p><u>Note:</u> Discrimination in job selection is the most commonly filed EEO complaint.</p>

EEO Tips

Introduction This map provides tips for promoting EEO.

	Action
	Make hiring decisions based on qualifications, experience, and merit.
	Act decisively on allegations of discrimination in the workplace.
	Assist the disabled by eliminating barriers in the workplace and making reasonable accommodation.
	Post EEO policy statements on the bulletin board.
	Maintain an environment in which employees are aware you are interested in resolving problems at the lowest level.
	If employees can't resolve problems, refer them to complaint and grievance processes.
	Ensure procedures are in writing and readily accessible.
	Monitor and assess EEO program execution.
	Be alert to employment patterns. Investigate reasons for adverse patterns.
	Keep abreast of complaints in your organization.
	Visibly support special emphasis programs for minorities.
	Ensure appropriate representation on committees.
	Attend EEO committee meetings, training, and observances.
	Schedule regular updates with EEO committee representatives.
	Plan and schedule training on a continuing basis.

References

Introduction



This map list EEO-related references.

- AR 600-7, Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army.
 - AR 600-23, Nondiscrimination in Federally Assisted Programs.
 - AR 690-12, EEO and Affirmative Actions.
 - AR 690-600, Chapter 771, DA Administrative Grievance Systems.
 - CPR 700, Personnel Relations and Services.
 - Title 29, CFR, Part 1614.
 - Civil Rights Act of 1964 (PL 88-352).
 - Age Discrimination in Employment Act of 1967.
 - President Nixon's Executive Order 11478 (1969).
 - Equal Employment Opportunity Act of 1972 (PL 92-261).
 - Rehabilitation Act of 1973 (PL93-112).
 - Fair Labor Standards Act of 1979 (PL 93-259).
 - Civil Service Reform Act of 1978 (PL 94-454).
 - Civil Rights Act of 1991.
 - Americans with Disabilities Act of 1992.
 - Management Directives to EEOC Guidelines.
 - Equal Employment opportunity Commission Guidelines.
 - Negotiated Agreements.
-

Lesson 4—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

-
- _____ 1. Equal opportunity applies only to minorities and women.
- _____ 2. If an employee sexually harasses a co-worker, the manager should refer him or ***HER TO THE EEO OFFICE FOR COUNSELING.***
- _____ 3. Managers should stress personal support for EEO policy.
- _____ 4. As a first step, use formal means to resolve an EEO complaint.
- _____ 5. Employment interviews are not required if you have adequate information about the candidates.
- _____ 6. Discrimination in job selection is the most commonly filed EEO complaint.
-

Lesson 4—Answer Key and Feedback

Instructions Correct answers and page references cited below.

- FALSE 1. Equal opportunity applies only to minorities and women. (Page 4-2, Policy)
- FALSE 2. If an employee sexually harasses a co-worker, the manager should refer him or *HER TO THE EEO OFFICE FOR COUNSELING.* (PAGE 4-3, PREVENTION)
- TRUE 3. Managers should stress personal support for EEO policy. (Page 4-3, Prevention)
- FALSE 4. As a first step, use formal means to resolve an EEO complaint.
(Page 4-4, EEO complaints)
- TRUE 5. Employment interviews are not required if you have adequate information about the candidates. (Page 4-5, Guidelines)
- TRUE 6. Discrimination in job selection is the most commonly filed EEO complaint.
(Page 4-6, Step 4)
-

Lesson 5—Ethics

Overview

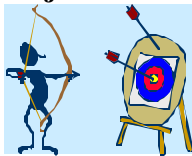
Introduction This lesson defines the core ethical values of America's Army and explains why we should embrace and uphold them.

Rationale



To manage events and lead people, one must set and uphold high standards of moral conduct based on a code of ethics.

Objectives



- Explain why our Army emphasizes certain values.
- Define Army core values and professional qualities.
- Describe ethical responsibilities of Army members.
- Recognize unethical behavior and correct it.
- Use guidelines and questions to make ethical decisions.

In this lesson This lesson contains two sections, as shown below:

**Section A:
Main topics**

Topic	See Page
Ethics	5-2
Values	5-3
Army Values	5-4
Ethical Responsibilities	5-5
Code of Ethics for Government Service	5-6
Threats to Core Values	5-7
Protecting Core Values	5-8
Pressure to Produce Results	5-9
Ethical Decision Making	5-10
Standards of Conduct	5-12

**Section B:
Back matter**

Topic	See Page
Overview	5-13
Lesson Summary	5-14
Endnotes	5-16
End-of-Lesson Exercises	5-17
Answer Key and Feedback	5-20

Ethics

Introduction

This map explains why ethical behavior is essential to America's Army.

Ethics



Institutions and professions survive because their members are expected to uphold high standards based on a code of ethics. That's why we trust bankers with our money and doctors with our lives.

Members of America's Army are likewise expected to uphold high standards and abide by an ethical code.

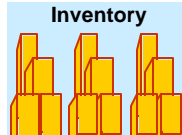
Definition



Ethics is a body of moral principles that set standards of behavior. These standards reflect shared values expressed in a code of ethics that members of a profession or organization agree to uphold.

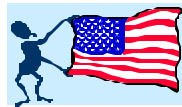
America's Army also embraces a code of ethics, whose impact is even greater than ethical codes of other institutions. The consequences of unethical behavior in a military setting can be much graver than elsewhere.

Example



A clerk in an auto parts firm pilfers stock and covers shortages with phony inventory counts. Though harm occurs, it isn't life threatening, and the firm can recover its losses from insurance. Were this to occur at an Army depot during war, it could endanger troops on the battlefield and threaten national security.

Necessity



Everyone should act ethically, especially members of our Army. The American people have entrusted us with its blood and treasure to uphold the Constitution and defend our way of life. This charge demands no less than the worthiest values and the highest standards.

Standards



Why is America's Army a disciplined and robust force? Because its members, soldiers and civilians alike, share common values and uphold high standards. Though demanding, these standards are reasonable and attainable.

Trust



One who holds a position of authority or responsibility holds a position of trust.

Whether you're a supervisor or action officer, senior leaders

- expect you to possess high moral character.
 - rely on your integrity.
 - often base decisions on your word.
 - don't have time to doubt or double check, nor should that be necessary.
-

Values

Introduction This map explains how values form the foundation of one's behavior.

Definition



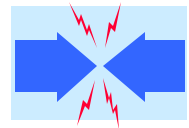
Values are

- beliefs about the worth of people, ideas, or things.
- the driving force behind behavior.
- the source of one's priorities—what one puts first or avoids most.

Example:

People who work hard and save hold different values than those who shun work and squander what money they have.

Conflict



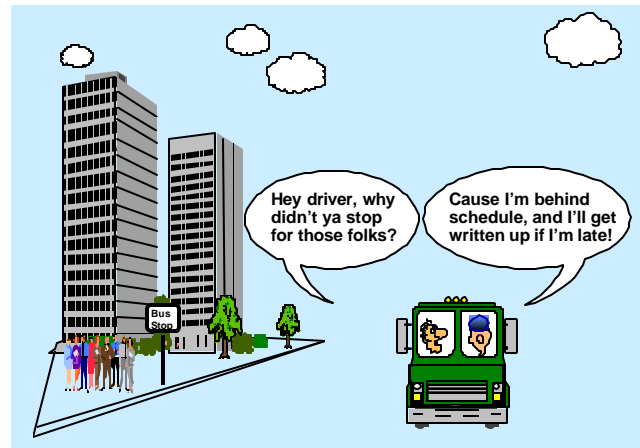
People hold two sets of values: personal values and professional or organizational values. Often both sets are the same, but not always. If both sets work harmoniously, the organization is likely to maintain high ethical standards.

If values conflict, ethical dilemmas arise.

Example

An organization advocates service to customers yet punishes employees who can't meet vague or unrealistic standards.

To cope with this pressure and protect themselves, they may resort to unethical behavior.

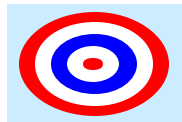


Army Values

Introduction

This map defines the seven core values embraced by our Army.

Core values



Core values are key values an organization adopts to achieve its purpose and ensure its survival. They're so vital, that conduct which threatens or erodes them is considered unethical and a threat to the organization's ultimate survival.

When Army core values are ingrained, they promote mutual confidence among Army members and merit the special trust and confidence of our nation.

Army core values



The core values that guide us on a clear path and sustain our Army are

- Loyalty.
 - Duty.
 - Respect.
 - Selfless Service.
 - Honor.
 - Integrity.
 - Personal Courage.
-

LDRSHIP

When displayed in specific order, these values form the acronym, “LDRSHIP” (pronounced as “Leadership”). This table briefly defines each value:

Value	Description
Loyalty	Bear true faith and allegiance to the Constitution, the Army, your unit, and other soldiers and civilians.
Duty	Fulfill your obligations. Take responsibility and do what's right, no matter how tough it is, especially when no one is watching.
Respect	Treat people as they should be treated.
Selfless Service	Put the welfare of the nation, the Army, and your subordinates before your own.
Honor	Live up to all the Army values.
Integrity	Do what's right, legally and morally
Personal Courage	Face fear, danger, or adversity (physical or moral).

Necessity



Soldiers imbued with these values fight with an indomitable will. It takes nothing less to uphold the Constitution, defend our way of life, and win on the battlefield.

These values apply to soldiers and civilians of all ranks and grades serving in America's Army.¹

Ethical Responsibilities

Introduction

This map discusses ethical responsibilities of leaders and followers and ways to model ethical behavior in either role.

Leaders and followers



Whether leader or follower, we model ethical behavior in either role. Leaders set standards of ethical behavior. Followers embrace those standards:

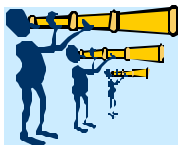
Leaders:

- define and affirm core values.
- provide clarity.
- act as standard bearers.

Followers:

- embrace core values.
- ask for direction when uncertain.
- meet standards.

Visibility



Ethical behavior goes with leadership. To lead effectively, one must visibly uphold high standards. You're always on display, and they're always watching.

Aware of it or not, you set an example, especially for subordinates, younger peers, new arrivals, customers, and the public.

Behavior is believable

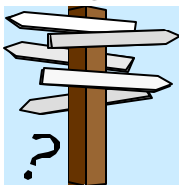


People quickly notice shortcomings. They observe and judge you by what you choose to confront, reward, or ignore.

They judge you least by what you say. Your behavior is the most believable thing about you. Sir Adrian Cadbury notes:

Our ethics are expressed in our actions, which is why they are usually clearer to others than to ourselves.²

No mixed messages



Be consistent in actions and always send clear messages. Otherwise you'll confuse people. They may react unethically to meet your expectations.

To consistently model ethical behavior

- avoid actions you can't justify.
- admit mistakes and correct them.
- use past successes to guide actions.
- stand by your good decisions.
- give people time to respond.
- act responsibly.³

Influence



Influence others by advocating ethical standards:

- Build teamwork by promoting shared values.
- Help others make ethical decisions.
- Display the *Code of Ethics for Government Service* poster at your work site.

Code of Ethics for Government Service

Introduction This is the code of ethics for federal employees:

Code of Ethics for Government Service (DoD 5500.7-R)

Any person in Government service should

Put loyalty to the highest moral principles and to country above loyalty to persons, party or Government department.

Uphold the Constitution, laws, and regulations of the United States and of all governments therein and never be a party to their evasion.

Give a full day's labor for a full day's pay; giving earnest effort and best thought to the performance of duties.

Seek to find and employ more efficient and economical ways of getting tasks accomplished.

Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not, and never accept, for himself or herself or for family members, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of governmental duties.

Make no private promises of any kind binding upon the duties of office, since a Government employee has no private word which can be binding on public duty.

Engage in no business with the Government, either directly or indirectly, which is inconsistent with the conscientious performance of governmental duties.

Never use any information gained confidentially in the performance of governmental duties as a means of making private profit.

Expose corruption wherever discovered.

Uphold these principles, ever conscious that public office is a public trust.

Threats to Core Values

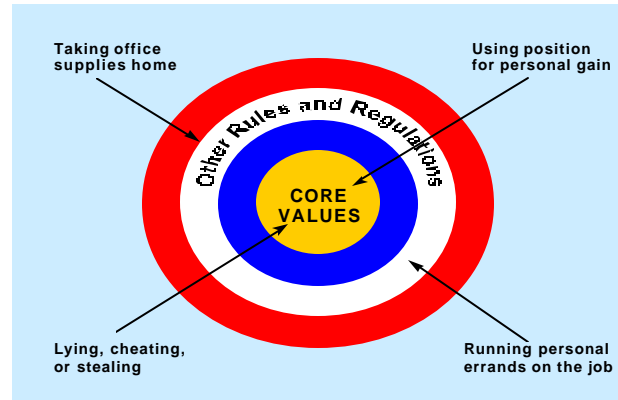
Introduction

This map explains how minor ethical violations can threaten core values.

Threats

This graphic depicts four unethical acts that violate regulations. Two acts are serious and threaten the organization's core values.

Though minor, the other two are a potential threat.

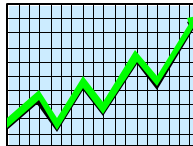


Bending rules



Nobody's perfect—sometimes we bend rules or abuse privilege. We may also be guilty of petty acts of dishonesty or minor breaches of conduct. But just because they're petty doesn't make them right. Besides, these acts are dangerous because they can easily escalate or become the norm.

Escalation



Petty thieves move from stealing software to stealing computers. As small violations spread they

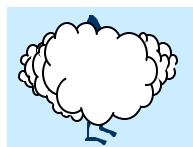
- erode core values.
- corrupt the organization.
- ultimately destroy it.

Bad rules



Another threat to core values is casual disregard of obsolete or unenforceable rules. We shouldn't do something dumb because of them, but that's only part of the answer. Bad rules invite contempt for authority and casual treatment of all rules: the bad drives out the good. The remedy lies not in ignoring bad rules but in eliminating them.

Rationalizing



Normally ethical people may resort to rationalizations to justify bad judgment and unethical behavior. This can also threaten core values:

Examples of rationalizations:

- Thought it was OK and wouldn't harm anyone.
- Did what was best, and *they* would expect nothing less.
- They wouldn't know the difference and would never catch me anyway.
- Was helping the organization, and felt they would gratefully back me up.⁴

Protecting Core Values

Introduction

This map describes ways to protect core values.

Perspective



The best way to protect core values is to behave ethically in all situations. However, this requires judgment, perspective, and risk. For example, we could discourage people from stealing office supplies by subjecting them to search and interrogation.

A more sensible approach would be to set standards and visibly uphold them.

Example



Most people obey rules if leaders affirm them and set the example.

If leaders don't act as standard bearers, unethical behavior will pervade the organization.

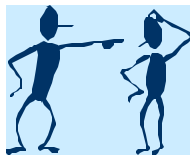
Excellence



Besides formal authority, one can also exert moral authority to influence others and make a difference. Whether leader or follower, build your own pocket of excellence through ethical behavior.

This sets an example, especially among peers and younger members. They may be uncertain and looking for guidance.

Confronting



Subordinates. Use your formal and moral authority to confront subordinates who violate ethical standards.

Peers. Use moral authority to influence peers. Maybe all they need is a tactful reminder of the standards. You may not succeed, but at least you will have

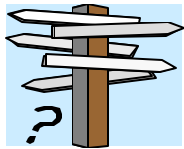
- brought the issue to the surface.
- affirmed your standards.
- avoided the unethical choice of doing nothing. Remember, ignoring unethical behavior is tantamount to condoning it.

Superiors and outsiders. Don't directly confront these folks. Instead, seek guidance from the Legal Officer or Inspector General. If you fear reprisal, request anonymity.

Pressure to Produce Results

Introduction This map explains how pressure to produce results can cause unethical behavior.

Sources of pressure



People may feel pressured to produce certain results. Pressure stems from

- false assumptions about what's expected.
- vague or conflicting organizational goals.
- mixed signals implying approval—noncommittal response to a serious question.
- unstated preferences of superiors—slight nod of one's head, a closed door.
- slogans and exhortations.

Slogans and exhortations

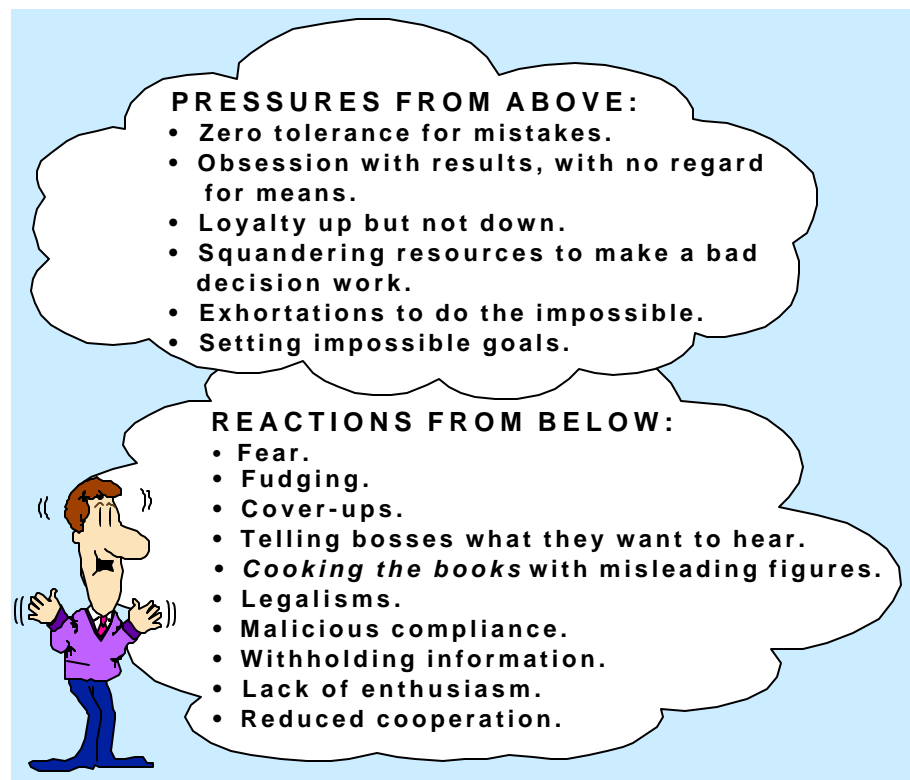


Some leaders will exert pressure through slogans or exhortations to do things when they just can't be done:

- *Can do!*
 - *Do more with less.*
 - *Zero defects.*
 - *Make it happen.*
 - *There's no excuse for failure.*
 - *I don't care how you do it; just get it done!*
-

Pressures and reactions

On the surface, these slogans or exhortations seem to be challenging ways to energize people. However, when overzealous leaders use them to goad people toward impossible goals, they may act unethically to meet them. Unreasonable pressures may be unethical in themselves and may lead to unethical behavior.⁵



Ethical Decision Making

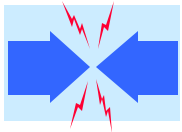
Introduction This map describes the ethical decision-making process.

Skill



Making ethical decisions is easy when issues are simple and right choices are clear. We make those decisions almost out-of-hand. However, solving tough ethical problems requires much more skill.

Dilemmas



Despite pressure to act unethically, you usually know in your heart what's right. Still, you may face situations where the right choice is unclear. For instance, you may be torn between loyalty to a friend and loyalty to our nation. This is an ethical dilemma, and it occurs when two or more deeply held values clash.

Attributes



When facing an ethical dilemma make the choice that seeks the highest moral good. This requires such attributes as intelligence and experience. However, these are grounded in the most critical attribute of all—character:

The manager who lacks . . . character—no matter how likable, helpful, or amiable, no matter even how competent or brilliant—is a menace and should be adjudged ‘unfit to be a manager’ . . .

—Peter F. Drucker⁶

Guidelines

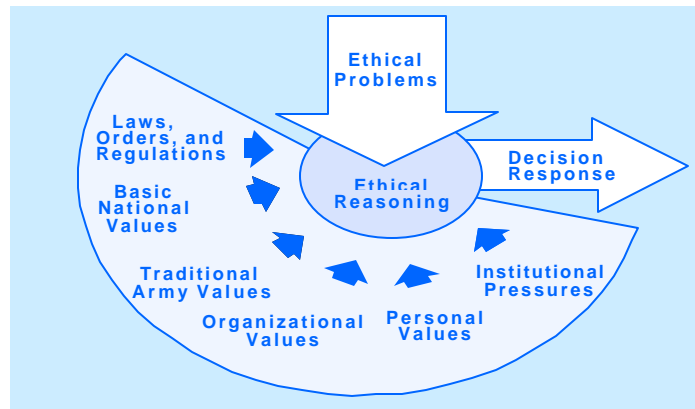
When facing an ethical dilemma, follow these guidelines:

Guideline	Description
Laws, orders, and regulations	Formal standards defined in laws and regulations to guide behavior and decisions.
Basic national values	Established in the Constitution, Declaration of Independence, and American tradition.
Traditional Army values	Army core values established as standards for all soldiers and Army civilians.
Organizational values	Often the same as Army core values but not always. When actual practices conflict with core values, unethical behavior usually results.
Personal values	Sum of attitudes and beliefs forming your character and influencing your actions.
Institutional pressures	Internal and external policies and official and unofficial pressures influencing behavior.

Ethical Decision Making, Continued






Decision model

Ethical guidelines displayed as a decision model.



Questions

When weighing a decision with ethical implications, ask these questions:

Category	Question
Impact 	Could this matter jeopardize national security or our troops' safety on the battlefield?
Public trust 	Were this matter made public, could I proudly defend it, or would it violate the nation's trust?
Example 	What would happen to our Army if everyone followed my example?
Personal gain 	Is this a matter of ill-gotten financial gain?
Prudence 	Can I justify my action as one a prudent person would take in similar circumstances?

Compromise



Although not desirable, compromise is acceptable in decisions without ethical impacts. Constraints force us to accept less than ideal solutions. However, don't compromise integrity on decisions with serious ethical dimensions; you'll make a bad decision.

Standards of Conduct

Introduction

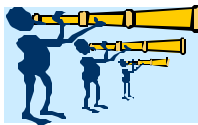
This map discusses standards of conduct defined in DoD Directive 5500.7-R, *Joint Ethics Regulation (JER)* and procedures for reporting violations.

Background



This lesson has simply been an overview of professional ethics; it doesn't discuss specific conduct prohibited by regulations. If you handle funds, travel, or deal with contractors, learn the rules. Check the JER, or you may unwittingly violate standards.

The public eye



In public service the mere appearance of wrongdoing invites suspicion. Though your actions may be both legal and ethical, outsiders may perceive them differently. Actions considered acceptable elsewhere invite censure if they occur in the government workplace.

Examples



These are examples of violations of the JER:

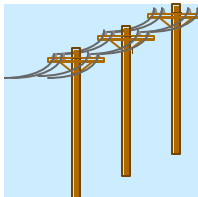
- Accepting unauthorized gifts.
 - Entering into an unauthorized contract.
 - Writing specifications to favor one vendor over another.
 - Providing insider information to a contractor.
-

Reporting violations



The JER provides guidance for reporting suspected incidents of fraud, waste, and abuse. Also seek assistance from the Ethics Counselor, Legal Officer, or Inspector General at your installation. These offices will protect your identity and maintain confidentiality.

DoD Hotline



You also have the option of reporting fraud, waste, and abuse anonymously to the Defense Hotline. Federal law protects you from reprisal.

Address:

Defense Hotline

The Pentagon

Washington, D.C. 20301-1900

Toll free number: 1-800-424-9098

Web site: <http://www.dodig.osd.mil>

If the matter involves either classified or Privacy Act information, seek legal counsel first.

Section B—Back Matter

Overview

Introduction This section contains commonly recurring topics found in each lesson.

In this section This section contains topics listed below:

Topic	See Page
Lesson Summary	5-14
Endnotes	5-16
End-of-Lesson-Exercises	5-17
Answer Key and Feedback	5-20

Lesson Summary

Key points This table summarizes key points of lesson maps or information blocks:

Topic	Summary	Page				
Objectives	<ul style="list-style-type: none">• Explain why our Army emphasizes certain values.• Define Army core values and professional qualities.• Describe ethical responsibilities of Army members.• Recognize unethical behavior and correct it.• Use guidelines and questions to make ethical decisions.					
Ethics	<p><u>Ethics</u> is a body of moral principles that set standards of behavior. Standards reflect shared values members of an organization agree to uphold. America’s Army embraces a code of ethics whose impact is greater than other ethical codes. Consequences of unethical behavior in a military setting can be much graver than elsewhere.</p>	5-2				
Values	<p>Values are beliefs about worth of people, ideas, things. They’re the driving force behind behavior and source of one’s priorities.</p>	5-3				
Army values (LDRSHIP)	<p>Army core values that guide us on a clear path:</p> <ul style="list-style-type: none">• Loyalty.• Duty.• Respect.• Selfless Service.• Honor.• Integrity.• Personal Courage.	5-4				
Ethical responsibilities	<table><tr><th>Leaders set the example</th><th>Followers take the example</th></tr><tr><td><ul style="list-style-type: none">• Affirm core values.• Provide clarity.• Act as standard bearers.</td><td><ul style="list-style-type: none">• Embrace core values.• Ask for direction.• Meet standards.</td></tr></table> <ul style="list-style-type: none">• Ethical behavior goes with leadership.• You set an example—always on display.• Behavior is believable.• Others judge you by what you confront, reward, or ignore.	Leaders set the example	Followers take the example	<ul style="list-style-type: none">• Affirm core values.• Provide clarity.• Act as standard bearers.	<ul style="list-style-type: none">• Embrace core values.• Ask for direction.• Meet standards.	5-5
Leaders set the example	Followers take the example					
<ul style="list-style-type: none">• Affirm core values.• Provide clarity.• Act as standard bearers.	<ul style="list-style-type: none">• Embrace core values.• Ask for direction.• Meet standards.					
No mixed messages	<p>Be consistent and send clear messages. <u>Don't</u> send mixed messages; people may react unethically to meet expectations.</p> <ul style="list-style-type: none">• Avoid unjustifiable actions.• Admit mistakes and correct them.• Give people time to respond.• Act responsibly.	5-5				

Lesson Summary, Continued

Key points (continued)

Topic	Summary	Page
Threats to core values	Bending rules, abusing privilege, and condoning petty dishonesty are threats to core values. As small violations spread they erode core values, corrupt the organization, and ultimately destroy it.	5-7
Bad rules	Disregard of obsolete or unenforceable rules invites contempt for authority and leads to casual treatment of all rules. Remedy is not to ignore bad rules but to eliminate them.	5-7
Rationalizing	People justify unethical behavior by rationalizing. <u>Examples:</u> <ul style="list-style-type: none"> • Thought it was OK and wouldn't harm anyone. • Did what was best for organization, and they expected it. 	5-7
Protecting core values	Behave ethically in all situations. Set standards and uphold them. Leaders must be standard bearers, or unethical behavior will pervade the organization.	5-8
Confronting	<ul style="list-style-type: none"> • Set the example—build your own pocket of excellence. • Confront unethical behavior. • Report violations. <p>Avoid the unethical choice of doing nothing.</p>	5-8
Pressure to produce results	People may be pressured to produce results. Stems from <ul style="list-style-type: none"> • false assumptions about what's expected. • vague or conflicting organizational goals. • mixed signals implying approval. • unstated preferences of superiors. <p>Some leaders pressure people to act unethically through slogans or exhortations such as <i>do more with less</i> or <i>make it happen!</i></p>	5-9
Ethical decision making	Ethical dilemma occurs when two deeply held values clash. Make the choice that seeks the highest moral good. When facing an ethical dilemma, follow these guidelines: <ul style="list-style-type: none"> • Laws, orders, regulations. • Basic national values. • Traditional Army values. • Personal values. • Institutional pressures. 	5-10 and 5-11
Standards of conduct	Check the <i>Joint Ethics Regulation</i> , or you may unwittingly violate standards. Seek guidance from the installation Ethics Counselor, Legal Officer, or Inspector General.	5-12
The public eye	<ul style="list-style-type: none"> • Mere appearance of wrongdoing invites suspicion. • Actions may be ethical, but others may see them differently. • Actions acceptable elsewhere invite censure in government. 	5-12
Reporting violations	Consult the JER to report suspected incidents of fraud, waste, or mismanagement. If you prefer anonymity, write or call the Defense Hotline.	5-12

Endnotes

Explanation of entries

Endnotes and additional reference are listed below.

Endnotes

To write this lesson we drew from these sources:

¹Drawn from emerging leadership doctrine in U.S. Army Field Manual 22-100, *Army Leadership*, scheduled for publication in 1998.

²Sir Adrian Cadbury, "Ethical Managers Make Their Own Rules," *Harvard Business Review* 65 (1987) 70.

³U.S. Army Field Manual 22-103, *Leadership and Command at Senior Levels*, June 1987, 24-25.

⁴Saul W. Gellerman, "Why 'good' Managers Make Bad Ethical Choices," *Harvard Business Review* 64 (1986) 88.

⁵U.S. Army Field Manual 22-100, *Military Leadership*, July 1990, 30.

⁶Peter F. Drucker, *Management: Tasks, Responsibilities, Practices* (New York: Harper & Row, 1973) 402.

⁷FM 22-100, 31.

Additional reference

This reference provides specific standards of conduct in areas of contracting, conflict of interest, gifts, etc.

DoD Directive 5500.7-R, *Joint Ethics Regulation (JER)*, August 1993.

Web sites

Besides the Defense Hotline Web site earlier referred to, these two sites offer extensive information, guidance, and training materials on ethical issues:

- United States Office of Government Ethics: <http://www.usoge.gov/>
 - U.S. Field Artillery Center, Fort Sill, OK: <http://sill-www.army.mil>
-

Lesson 5—End-of-Lesson Exercises

Instructions Select best answer or answers.

1. Why should members of our Army uphold the highest ethical standards?
 - a. They belong to a profession.
 - b. Makes it easier to achieve goals.
 - c. It takes the highest ethical standards to defend our way of life.
 - d. People are attracted to an organization that upholds high standards.
 2. Select two reasons why supervisors and action officers must be trustworthy.
 - a. Bosses often base decisions on their word.
 - b. Bosses rely on their integrity and don't have time to doubt or double check.
 - c. It's part of their job description.
 - d. They must often work with others.
 3. What is the relationship between values and priorities?
 - a. There is no relationship.
 - b. Values are the source of one's priorities—what you put first or avoid most.
 - c. Values are more important than priorities.
 - d. Priorities are the source of one's values.
 4. Organizations adopt core values for these two reasons:
 - a. Achieve their purpose.
 - b. Emulate other organizations.
 - c. Be better than other organizations.
 - d. Ensure their survival.
 5. Army core values apply to
 - a. officers.
 - b. officers and NCOs.
 - c. soldiers and civilians of all ranks and grades.
 - d. general officers.
-

Continued on next page

Lesson 5—End-of-Lesson Exercises, Continued

6. Select three ways leaders set the ethical tone in an organization.
 - a. Define and affirm core values.
 - b. Involve subordinates in decision making.
 - c. Provide clarity.
 - d. Act as standard bearers.

7. In the eyes of others, which part of you is the most believable?
 - a. Actions.
 - b. Beliefs.
 - c. Values.
 - d. Words

8. How can bad rules affect core values? (Select two.)
 - a. If they're ignored, they don't affect core values.
 - b. If they're followed, they enhance core values.
 - c. They can threaten core values.
 - d. They can drive out good rules.

9. Select three ways to change unethical behavior in others.
 - a. Set the example.
 - b. Confront the person involved.
 - c. Report violations.
 - d. Mind your own business.

10. If leaders use slogans to goad people toward impossible goals, they
 - a. will be energized and accomplish the impossible.
 - b. will be more productive if pressured.
 - c. may act unethically to meet the goals.
 - d. will build their enthusiasm.

11. Which statement concerning *appearances* is false?
 - a. Your actions may be ethical, but others may see them differently.
 - b. Actions considered acceptable elsewhere invite censure if they occur in government.
 - c. If you do what's right, appearances don't count.
 - d. In public service the mere appearance of wrongdoing invites suspicion.

Lesson 5—Answer Key and Feedback

Instructions Correct choices are highlighted.

-
1. Why should members of our Army uphold the highest ethical standards?
 - a. They belong to a profession.
 - b. Makes it easier to achieve goals.
 - c. It takes the highest ethical standards to defend our way of life. (Page 5-2, Necessity)**
 - d. People are attracted to an organization that upholds high standards.
-
2. Select two reasons why supervisors and action officers must be trustworthy.
 - a. Bosses often base decisions on their word. (Page 5-2, Trust)**
 - b. Bosses rely on their integrity and don't have time to doubt or double check.**
 - c. It's part of their job description.
 - d. They must often work with others.
-
3. What is the relationship between values and priorities?
 - a. There is no relationship.
 - b. Values are the source of one's priorities—what you put first or avoid most. (Page 5-3, Definition)**
 - c. Values are more important than priorities.
 - d. Priorities are the source of one's values.
-
4. Organizations adopt core values for these two reasons:
 - a. Achieve their purpose. (Page 5-4, Core values)**
 - b. Emulate other organizations.
 - c. Be better than other organizations.
 - d. Ensure their survival.**
-
5. Army core values apply to
 - a. officers.
 - b. officers and NCOs.
 - c. soldiers and civilians of all ranks and grades. (Page 5-4, Necessity)**
 - d. general officers.
-

Lesson 5—Answer Key and Feedback, Continued

6. Select three ways leaders set the ethical tone in an organization.
- a. **Define and affirm core values. (Page 5-5, Leaders and followers)**
 - b. Involve subordinates in decision making.
 - c. **Provide clarity.**
 - d. **Act as standard bearers.**
-

7. In the eyes of others, which part of you is the most believable?
- a. **Actions. (Page 5-5, Behavior is believable)**
 - b. Beliefs.
 - c. Values.
 - d. Words

Remember, your behavior is the most believable thing about you.

8. How can bad rules affect core values? (Select two.)
- a. If they're ignored, they don't affect core values.
 - b. If they're followed, they enhance core values.
 - c. **They can threaten core values. (Page 5-7, Bending rules, Bad rules)**
 - d. **They can drive out good rules.**

Don't ignore bad rules—eliminate them.

9. Select three ways to change unethical behavior in others.
- a. **Set the example. (Page 5-8, Excellence, Confronting)**
 - b. **Confront the person involved.**
 - c. **Report violations.**
 - d. Mind your own business.
-

10. If leaders use slogans to goad people toward impossible goals, they
- a. will be energized and accomplish the impossible.
 - b. will be more productive if pressured.
 - c. **may act unethically to meet the goals. (Page 5-9, Pressures and reactions)**
 - d. will build their enthusiasm.
-

11. Which statement concerning *appearances* is false?
- a. Your actions may be ethical, but others may see them differently.
 - b. Actions considered acceptable elsewhere invite censure if they occur in government.
 - c. **If you do what's right, appearances don't count. (Page 5-12, The public eye)**
 - d. In public service the mere appearance of wrongdoing invites suspicion.

Appearances count!

Lesson 6—Management Control

OVERVIEW

Introduction

This lesson describes how managers use the management control process to protect resources.

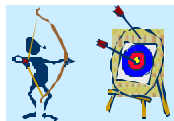
Rationale



The Federal Manager's Financial Integrity Act (FMFIA) requires the heads of Executive Agencies to

- establish effective management controls.
- periodically evaluate these controls.
- provide the president and congress with an annual assessment of the status of these controls and
- report, track, and correct weaknesses in these controls.

Objectives



- Define the term, *Management Control*.
- List the objectives and purposes of the Army's management control process.
- Discuss basic elements of the Army's management control process.
- Develop ways to apply the process in your organization.

In this lesson

This lesson contains the following topics.

Topic	See Page
What is Management Control?	6-2
Management Control Process	6-3
Standards	6-6
End-of-Lesson Exercises	6-7
Answer Key and Feedback	6-8

What is Management Control?

Introduction This map defines terms and responsibilities for management control.

Purpose



Management controls are tools managers use to regulate and guide operations and programs.

They install controls in their daily operations. This assures that

- essential management information is accurate and reliable.
 - resource use is consistent with laws, regulations, and policies.
 - resources are safeguarded against fraud, waste, and misuse.
 - programs are economically and efficiently carried out.
-

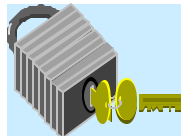
Duties



All commanders and managers must

- establish and maintain effective management controls.
 - assess areas of risk.
 - identify and correct weaknesses in controls.
 - keep superiors informed.
-

Examples



Examples of management controls:

- Installing security measures (fences, locks, and guards) to protect assets.
 - Separating essential duties to make theft more difficult.
 - Building edit checks into automated systems to prevent erroneous data entry.
 - Verifying delivery of goods before paying vendors.
 - Inspecting ammunition to identify hazards or verify it's safe to use.
-

References



These references are the foundation of Management Control objectives:

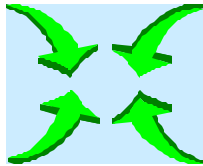
- Federal Manager's Financial Integrity Act of 1982 (Public Law 97-225).
 - OMB Circular A-123, *Management Accountability and Control*, 1995.
 - DoD Directive 5010.38, *Management Control Program*, 1996.
 - DoD Instruction 5010.40, *Management Control Program Procedures*, 1996.
 - Army Regulation 11-2, *Management Control*, 1994.
-

Management Control Process

Introduction This map describes the four elements of the management control process.

Elements Four elements of management control are

- key management controls.
- management control plan.
- management control evaluation.
- assessable unit managers.



Benefits The use of these elements enables the management control process to

- provide flexibility to commanders and managers when conducting management control evaluations.
- reduce workload and increase accountability.
- focus on *key* management controls.



Key management controls Key management controls are essential to ensuring critical processes operate as intended and resources are safeguarded from fraud, waste, and misuse.

Criterion to identify key management controls is severity of adverse impact should the control fail or fail to be used.

HQDA identifies key management controls as the minimum required for management control evaluation. Commanders and managers may develop additional controls to cover local requirements.



Management Control Plan An MCP is a written plan for conducting required management control evaluations within the assessable unit over a five-year period. It may be developed at a MACOM, HQDA staff agency, or the assessable unit level.

MCP may be structured by functional area (e.g., information security, maintenance of real property) or by major organizational components (Director of Logistics, Director of Contracting).

Note: OASA (FM&C) provides an inventory of key management controls to MACOMs and HQDA staff agencies to assist in developing their MCPs.



Continued on next page

Management Control Process, Continued

Management control evaluation



A management control evaluation is a detailed, systematic, and comprehensive examination of key management controls to determine if they're

- in place.
- being used as intended.
- effective in achieving their purpose.

These evaluations determine susceptibility of a function or process to waste, loss, unauthorized use or misuse of resources.

Testing



Evaluations are based on testing of key controls through

- direct observation.
- file or document analysis.
- sampling.
- simulation.

Using one or more of these approaches, evaluations are conducted with control checklists or management review processes.

Documenting



Evaluations must be supported by documentation that clearly indicates

- who conducted the evaluation and when.
 - methods used.
 - deficiencies detected.
 - corrective action taken.
-

Continued on next page

Management Control Process, Continued

Assessable unit managers

In most cases, agencies are segmented into assessable units consisting of subordinate organizations headed by senior managers not lower than Colonel or GS-15 level.



The commander or managers of assessable units will ensure

- they provide leadership and support to ensure controls exist and operate effectively.
 - managers are trained and understand management control responsibilities.
 - statements of responsibility for MC responsibilities are included in performance agreements.
-

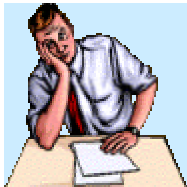
Managing MCPs



Managers of assessable units will ensure

- an MCP is established and maintained to describe how key management controls in the assessable unit will be evaluated over a five-year period.
 - management control evaluations are conducted per the MCP.
 - required documentation on each completed management control evaluation is retained, subject to audit or inspection.
 - they certify results of required management control evaluations.
-

Reporting



Managers of assessable units will

- report through the chain of command any material weaknesses in management controls.
 - establish and implement plans to correct those material weaknesses.
 - track progress in executing those plans until the material weakness is corrected.
-

Standards

Introduction This map defines standards.

Standards



This table lists the standards the Comptroller General has established defining the minimum level of acceptable quality for management control systems in operation.

These standards set the criteria used for evaluations.

Standard	Description
Assurance	Install management controls to provide reasonable assurance that management objectives are accomplished and internal control costs don't exceed the benefit derived.
Supportive	All must support internal control practices at all times.
Competence	All must demonstrate personal or professional integrity to maintain competence in their duties and to understand the importance of developing and implementing sound internal controls.
Objectives	Ensure objectives are logical, applicable, and reasonably complete.
Techniques	Use efficient and effective techniques to accomplish internal control objectives.
Documenting	Document transactions and make them readily available for examination.
Recording	Promptly record and classify transactions.
Execution	Authorize and execute transactions and events.
Separation	Separate key duties and responsibilities among individuals in authorizing, processing, recording, and reviewing.
Supervision	Supervise continuously to ensure internal control objectives are achieved.
Access	Limit access to resources and records to authorized individuals. Assign and maintain accountability for custody and use of resources.
Resolution	Managers are to <ul style="list-style-type: none">• evaluate audit findings promptly and recommendations addressed to them.• establish milestones for corrective action.• ensure prompt resolution of discrepancies.

Lesson 6—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

***1. AN EXAMPLE OF A MANAGEMENT CONTROL WOULD BE THE SEPARATION OF
ESSENTIAL DUTIES TO***

_____ make theft more difficult.

_____ 2. HQDA delegates identification of *key* management controls to local commanders.

_____ 3. A management control evaluation is a quick, informal review of key management controls.

_____ 4. Direct observation is a valid way to test key controls.

_____ 5. Supervise continuously to ensure internal control objectives are achieved.

Lesson 6—Answer Key and Feedback

Instructions

Correct answers and page references cited below.

TRUE

*1. AN EXAMPLE OF A MANAGEMENT CONTROL WOULD BE THE SEPARATION OF
ESSENTIAL DUTIES TO*

make theft more difficult. (Page 6-2, Examples)

FALSE

2. HQDA delegates identification of *key* management controls to local commanders.
(Page 6-3, Key management controls)

FALSE

3. A management control evaluation is a quick, informal review of key management
controls. (Page 6-4, Management control evaluation)

TRUE

4. Direct observation is a valid way to test key controls. (Page 6-4, Testing)

TRUE

5. Supervise continuously to ensure internal control objectives are achieved.
(Page 6-6, Supervision)

Lesson 7—Army Family Team Building (AFTB)

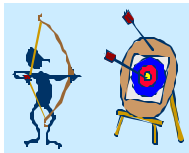
Overview

Introduction This lesson explains the Army Family Team Building (AFTB) Program and its implications for the manager.

Rationale Today's Army is contingency based; it must be ready to deploy anywhere, anytime on short notice. A manager should know how AFTB works, because he may have subordinates who need the support it provides.



Objectives



- Explain the purpose of the AFTB Program.
 - Name four stages in the separation process.
 - Describe the function and purpose of a Family Support Group.
 - Identify at least four types of services that family support centers provide.
 - Identify the three levels of AFTB training.
-

In this lesson This lesson contains two sections, as shown below:

Topic	See Page
Purpose of AFTB	7-2
Separation	7-3
Family Support Services	7-4
Family Support Groups (FSG)	7-5
Family Care Plan	7-6
AFTB Training	7-7
References	7-8
End-of-Lesson Exercises	7-9
Answer Key	7-10

Purpose of AFTB

Introduction

This lesson explains the purpose of the AFTB Program.

Purpose



The purpose of the AFTB Program is to advance a way of life that prepares everyone in America's Army to function at the highest level, in any situation, with minimal outside support.

Membership



America's Army consists of

- soldiers, both active duty and reserve components.
 - retirees.
 - DA civilians.
 - family members of all these groups.
-



For our purposes, we use the term, "soldier" to refer to

- officers.
 - warrant officers.
 - NCOs.
 - enlisted soldiers.
-

Readiness



Today's Army is contingency based. It must be ready to deploy anywhere, anytime on short notice. Many DA civilians play a significant role to support contingency operations. They may also accept assignments overseas or serve in positions requiring mandatory mobility agreements.

Families affected by the Army's intensive operations tempo and lengthy deployments must also be capable of adjusting. The AFTB Program helps families do that.

Benefits



As families better prepare to function independently in peace and war, soldiers and DA civilians



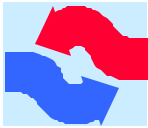

- become more confident.
 - train faster.
 - perform better.
 - focus on the mission.
-

Separation

Introduction This map discusses the effects of separation on the family.

Stages Families often face separations due to training exercises, remote assignments, schooling, or deployment. Some assignments may last for several months. This interferes with normal family life.

This table list four stages in the separation process:

Stage	Description	What Happens
1 	Receipt of orders.	Family may experience anger. Unless dealt with, the family will feel unnecessary tension.
2 	Predeparture (preparation for separation).	Families will <ul style="list-style-type: none">• establish support networks.• experience emotional distancing within family network.
3 	Period of separation. Increased responsibilities for family members.	Family may feel socially abandoned and reluctant to establish new friendships.
4 	Reunion and reintegration.	Family members readjust. Everyone changes during separation, and this stage does not always go smoothly. Everyone must invest time and energy to reestablish relationships.

Family Support Services

Introduction

This map describes family support services available at most installations.

Services



Installations usually consolidate support services at a single activity, commonly referred to as the Army Community Service Center (ACS) or similar designation, such as Family Support Center or Family Service Center. Professionals and volunteer staffs assist clients in various ways.

Types

Support centers provide these services:

Type	Description
Employment assistance	Help clients in seeking employment. Assist with <ul style="list-style-type: none">• skill identification• career planning.• resume preparation.• employment opportunities.
Referral counseling	Identify needs and refer to counselor or agency for assistance.
Financial assistance	Provide information or instruction on consumer and financial affairs.
Family advocacy	Assist with matters such as spouse or child abuse, neglect, and other problems affecting a family's well being.
Relocation assistance	Provide information to those relocating to a new installation. Provide orientations and welcome packages to newcomers. Coordinate SITES (Standard Information Topic Exchange Service).
Family Life education	Establish programs based on local needs, such as bicultural, parenting, or marriage enrichment.
Exceptional family members	Refer special education and health-related services for exceptional family members (handicapped or gifted).
Army Family Action Plan	Provide clients a comprehensive update of programs and services in an annual forum.
Army Emergency Relief (AER)	Arrange grants or loans to families undergoing hard times. <u>Note:</u> In some cases, DA civilians may be eligible recipients.

Family Support Groups (FSG)

Introduction

This map explains how Family Support Groups (FSG) function.

Need for

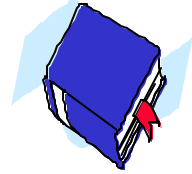


Soldiers and many civilians must prepare to deploy on short notice, while the family carries on during the absence of the deployed member.

Families satisfied with the Army's way of life play a more significant role in the development and performance of quality employees in the Army.

Family members should support Army family programs, services, and activities that maintain quality of life. Many of these programs and activities rely on volunteers to run them.

Definition



A Family Support Group is

- an organization of family members, volunteers, and soldiers.
- a command-sponsored activity for people to help one another.
- a network to link families with the command to identify their needs.

FSGs create a unique atmosphere of mutual concern and care among Army families. They also link with the home station commander and family assistance centers during deployments.

Services



FSGs

- provide an opportunity for family members to assist one another.
 - interact with family members, organization, and community resources.
 - provide information and involve families in organization activities.
-

Create the right climate



Managers should help create a climate that supports AFTB:

- Support leadership training for volunteers.
 - Identify needs of subordinates' families.
 - Be prepared to assist when people have problems.
 - Develop feedback methods.
 - Listen to FSG volunteer leaders.
 - Implement positive changes gleaned from feedback.
 - View FSG programs as ongoing enhancement programs.
-

Family Care Plan

Introduction

This map discusses the family care plan and other related items.

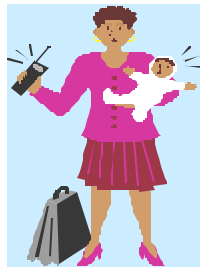
Mobility agreement



Be aware of employees who sign mandatory mobility agreements, or who could deploy to support contingency operations or natural disasters.

Prepare the family—ensure family care plans are in place when appropriate.

Family care plan



Single parents and soldiers with families must have a family care plan. Refer to AR 600-20 and AR 690-11 for detailed information.

Be familiar with these forms:

- DA Form 5304-R, Family Care Plan Counseling Checklist.
 - DA Form 5305 R, Family Care Plan.
 - DA Form 5840-R, Certificate of Acceptance as Guardian or Escort.
 - DA Form 5841-R, Special Instructions Related to Execution of Powers of Attorney.
 - DA Form 5841-R, Power of Attorney.
-

DD Form 93

Soldiers must have a DD Form 93 on record. DA civilians execute DD Form 93 when deploying to hazardous locations only.

The DD Form 93

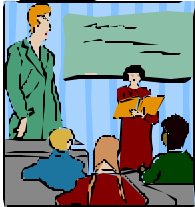
- provides name and address of persons to be notified in case of emergency or death.
 - designates beneficiaries of certain benefits if a member is missing or deceased.
-

AFTB Training

Introduction

This map discusses AFTB training.

Purpose



AFTB training

- prepares soldiers, DA civilians, and family members to cope with separation, thus improving overall readiness.
 - Head off or resolve family problems (false expectations, red tape, home station support).
 - Provide the base to carry America's Army into the 21st century.
-

Levels of



AFTB training occurs at three levels:

Level I is designed to meet the needs of family members new to the Army.

Level II is designed for family members interested in becoming leaders in activities such as Red Cross, housing area mayors, family support groups, parent-teacher associations, and church groups.

Level III is designed for family members interested in improving their leadership skills.

REFERENCES

References

This map list references related to the Army Family Team Building Program.

AR 5-3	Installation Management and Organization
AR 27-3	The Army Legal Assistance Program
AR 608-1	Army Community Service
AR 608-18	The Family Advocacy Program
DA Pam 600-19	Quality of Life Program Evaluation Minimum Standards
DA Pam 690-39	Family Assistance Handbook
DA Pam 608-47	A Guide to Establishing Family Support Groups
TC 12-7	Reasonable Financial Readiness Handbook



Lesson 7—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

- _____ 1. The AFTB Program is restricted to soldiers and members of their families.
 - _____ 2. Reunion after separation may not always go smoothly.
 - _____ 3. Family support services are staffed with professionals but not volunteers.
 - _____ 4. In some cases, DA civilians may be eligible for AER loans.
 - _____ 5. A Family Support Group includes family members, volunteers, and soldiers.
 - _____ 6. DD Form 93 applies to soldiers only.
 - _____ 7. AFTB training is unrelated to readiness.
 - _____ 8. AFTB training includes training in leadership skills.
-

Lesson 7—Answer Key

Instructions Correct answers and page references cited below.

- FALSE 1. The AFTB Program is restricted to soldiers and members of their families.
(Page 7-2, Membership)
- TRUE 2. Reunion after separation may not always go smoothly. (Page 7-3, Stage 4)
- FALSE 3. Family support services are staffed with professionals but not volunteers.
(Page 7-4, Services)
- TRUE 4. In some cases, DA civilians may be eligible for AER loans. (Page 7-4, AER)
- TRUE 5. A Family Support Group includes family members, volunteers, and soldiers.
(Page 7-5, Definition)
- FALSE 6. DD Form 93 applies to soldiers only. (Page 7-6, DD Form 93)
- FALSE 7. AFTB training is unrelated to readiness. (Page 7-7, Purpose)
- TRUE 8. AFTB training includes training in leadership skills. (Page 7-7, Levels of training)
-

Lesson 8—Managing Change

Overview

Introduction

This lesson describes the ten-step model for accelerating change developed by Implementation Management Associates, Inc. and adopted by DoD for use by Human Resource organizations.

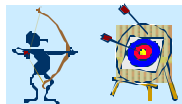
Rationale



Change management is important because organizational and job designs are inherently change processes.

To be effective in organizational or job design, one must be effective in managing change.

Objectives



- Identify the four roles in the CAST model.
 - Identify the ten steps in change management.
 - Apply change management techniques to organizational and job design.
-

In this lesson

This lesson contains the following topics:

<i>TOPIC</i>	See Page
CAST Model	8-2
Change Management Model	8-3
Organizational and Job Design	8-5
End-of-Lesson Exercises	8-7
Answer Key and Feedback	8-8

CAST Model

Introduction This map explains the four roles in the CAST model of change management.

CAST Model The four roles in change management are:

- **Champion.**
- **Agent (Change Agent).**
- **Sponsor.**
- **Target.**

CAST Roles The four CAST roles are defined below.



Role	Definition
Champion	The champion <ul style="list-style-type: none">• markets the organizational change.• gives recognition when new behaviors are demonstrated.
Change Agent	The change agent <ul style="list-style-type: none">• has the technical expertise to plan and implement the organizational change.• is skilled in training or consulting.
Sponsor	The sponsor <ul style="list-style-type: none">• provides resources, authority, or reinforcement needed to accomplish change.• has the authority to modify reward systems or other aspects of organizational culture.
Target	The target is the one who needs to change. All members of the organization probably fall into this category at one time or another.



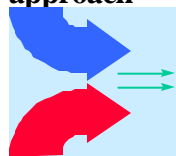

Change Management Model

Introduction This map explains the ten-step model for accelerating change developed by Implementation Management Associates, Inc.

Steps

To bring about change, follow these steps.



Step	Action
1 Define the change 	<p>Clarify at the onset specific changes people must make.</p> <p>Visualize the organization's end-state:</p> <ul style="list-style-type: none">• What will be stopped (old behavior).• What will be started (new behavior). <p>Remember that changes are <u>not</u> intuitively obvious. They must be spelled out for each stakeholder.</p>
2 Assess climate 	<p>Determine if the organization can implement proposed changes. If not, build its capability. Organizational assessment is usually accomplished with commercial instruments, climate surveys, focus group meetings, e-mail bulletin boards, or other tools.</p> <p>Two key factors are</p> <ul style="list-style-type: none">• history of success or failure in implementing change.• magnitude of the change.
3 Select an approach 	<p>Consider two approaches for implementing change:</p> <ul style="list-style-type: none">• Directive or <i>hammer</i> approach obtains initial compliance but can create resistance because people may not sign up.• Positive approach identifies resistance first and encourages dialogue. <p>Kurt Lewin's models and force field analysis tools are often considered at this step.</p>
4 Enlist sponsors 	<p>Enlist sponsors:</p> <ul style="list-style-type: none">• They have power to obtain resources needed to manage and implement organizational change.• Some sponsors fund the change while others reinforce it.• If you're lucky, some sponsors will become champions and change agents, too.


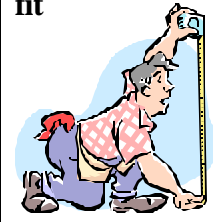



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Change Management Model, Continued

Steps



(continued)

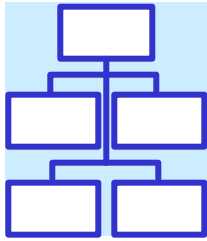
Step	Action
5 Develop target readiness 	<p>Targets are the people who need to change—probably everyone in the organization.</p> <p>If they're to change, targets need</p> <ul style="list-style-type: none"> • orientation. • training. • coaching.
6 Create cultural fit 	<p>Changes in organizational structure aren't sufficient for organizational improvement. It's also necessary to change the organizational culture:</p> <ul style="list-style-type: none"> • reward system. • human resources policies. • program evaluation and measurement systems. <p><u>Note:</u> Don't forget to reengineer the social system to support the technical system.</p>
7 Build agent capacity	<p>A few change agents aren't enough; they'll burn out quickly. Provide for development of additional change agents as the scope of organizational change increases.</p>
8 Motivate 	<p>It is not enough to describe behavioral changes, which managers and employees must make to accomplish organizational improvement.</p> <p>It is also necessary to reward new behaviors (and eliminate rewards for old behaviors).</p>
9 Communicate 	<p>Organizational change requires varied communication strategies. Cheap strategies like memos aren't enough to convince folks to change their way of doing business.</p> <p>Invest time and money in</p> <ul style="list-style-type: none"> • town-hall meetings. • focus groups. • other face-to-face forums.
10 Integrate 	<p>The final step is a continuous one—integrate each of the other steps and approaches.</p> <p>In doing so, one may discover that previous steps need to be revisited, which is normal!</p>

Organizational and Job Design

Introduction

This map explains the relationship of the ten-step change management model to organizational and job design.

Organizational design



By definition, organizational design means change. Changes affect

- structure and functions.
- relationships.
- job descriptions and performance standards.
- career ladders and promotion opportunities.

They may require extensive training on new jobs, careers, or work technologies. Organizational changes will not be effective unless sponsors, champions, and change agents willingly assist targets and each other.

Organizational design and change management



Organizational design is more likely to work when carried out within the context of change management.

This means those affected must

- understand what is happening to them.
 - share a vision for the organization's end state.
 - be given compelling reasons for the change.
 - realize that new behaviors will be properly rewarded.
-

Job design and change management



Remember that even after organizational structures have been fully designed, many issues will arise at the level of an employee's job. It's here where organizational change becomes personal.

Employees who have distanced themselves from the impact of broader structural changes may feel extremely uncomfortable when their own jobs have changed.

Continued on next page

Organizational and Job Design, Continued

Acceptance



Effective job design requires consideration of the steps of change management. To capitalize on employee acceptance, you may select a strategy in which employees design their own jobs.

Further, by assessing employee readiness for change early in the design process, you can identify and overcome resistance.

References



LaMarsh, Jeannette. *Changing the Way We Change*. Reading, MA: Addison-Wesley, 1995.

Conner, Daryl. *Managing at the Speed of Change*. New York: Villard Books, 1992.

Lesson 8—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

- _____ 1. The change agent markets the organizational change.
 - _____ 2. All organization members may be *targets*.
 - _____ 3. The hammer approach minimizes resistance.
 - _____ 4. Sponsors can also be champions and change agents.
 - _____ 5. Structural change also requires cultural change.
 - _____ 6. To communicate change, use the cheapest means.
 - _____ 7. Organizational change should occur within the context of change management.
-

Lesson 8—Answer Key and Feedback

Instructions Correct answers and page references cited below.

FALSE

_____ 1. The change agent markets the organizational change. (Page 8-2, Champion)

TRUE

_____ 2. All organization members may be *targets*. (Page 8-2, Target)

FALSE

_____ 3. The hammer approach minimizes resistance. (Page 8-3, Select an approach)

TRUE

_____ 4. Sponsors can also be champions and change agents. (Page 8-3, Enlist sponsors)

TRUE

_____ 5. Structural change also requires cultural change. (Page 8-4, Cultural fit)

FALSE

_____ 6. To communicate change, use the cheapest means. (Page 8-4, Communicate)

TRUE

_____ 7. Organizational change should occur within the context of change management.
(Page 8-5, Organizational design and change management)

Lesson 9—Strategic Planning

Overview

Introduction

This lesson describes the nine-step model of strategic planning and linkages to program and project planning.

Rationale



To thrive, an organization must transcend the limitations imposed by past practices and present constraints.

Strategic planning helps make that possible.

Objectives



- Use a nine-step procedure to develop strategic plans.
 - Explain the linkages between strategic planning and program or project planning.
 - Identify tools available for effective program and daily management.
-

In this lesson

This lesson contains the following topics:

Topic	See Page
Strategic Planning	9-2
Developing a Strategic Plan	9-3
Linkages to Strategic Planning	9-4
End-of-Lesson Exercises	9-7
Answer Key and Feedback	9-8

Strategic Planning

Introduction



This map explains the nine-step model for Strategic Planning.

Step	Action	Explanation
1	Planning to Plan	The framework to getting started. Strategic plans must be led by managers empowered to implement them, but action officers can assist in the coordination, training, and administration that accompanies any successful planning effort.
2	Values Audit	Thoughtful reflection is needed to clarify organizational philosophy, values, and vision. While these are often assumed, the strategic planning process allows you to discuss, modify, and gain shared support for them.
3	Mission Formulation	Define and formulate your organizational mission through the eyes of your customer.
4	Strategic Business Modeling	This is the most difficult step. Consider <ul style="list-style-type: none">• environmental pressures, resources, and competition.• leveraging technology.• ideas for delivering value to customers, possibly through reengineering.
5	Performance Audit	Find out what processes, products, and services really cost. Performance audit should reveal any shortfalls.
6	Gap Analysis	Gap Analysis forces you to see what customers want. Use results of the gap analysis to revise the strategic business model.
7	Integration of Action Plans	The action (program) plans are developed based on revised strategic business model. Integration of these plans is critical for alignment of organizational resources and efforts.
8	Contingency Planning	Development of contingency plans prepares the organization for unforeseen or unusual events occurring during the year.
9	Implementing	Implement the strategic plan by deploying it at every level in your organization. It must link to program and project plans within each division, branch, and team.

Source: Pfeiffer and Associates

Developing a Strategic Plan

Introduction

This map explains how to develop a strategic plan.

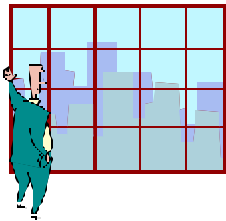
Required skills



To develop, implement, and evaluate strategic planning effectively, a manager should possess these skills:

- Creativity to develop and revise visions and goals appropriate for the organization.
 - Oral and written communication skills to encourage involvement in the planning process and explain decisions made by organizational leaders.
 - Analytical and quantitative skills for developing milestones, business plans, cost-of-quality reports, and customer surveys.
-

Scope



Strategic planning is neither short-term nor long-term; it is simply determining the right things for your organization to do and is a continuing process. Typically, the annual plans are the strategic plans.

Essential to any plan is a framework for getting started. Pfeiffer and Associates' nine-step model is one method for developing a strategic plan.

Developing



Developing a strategic plan involves these steps:

- Review existing organization program plans and strategic plan or vision documents.
 - Check these documents against the nine-step model.
 - Look for steps that may have been left out or dealt with superficially.
 - Identify steps needed to deploy strategic plan goals throughout the organization.
-

Linkages to Strategic Planning

Introduction



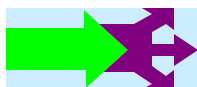
Effective deployment of strategic planning goals also requires both cross-functional and daily management by each supervisor and employee. This map outlines these linkages to strategic planning.

Management style

This table describes management styles.

Style	Description
Traditional	Emphasizes goals and objectives, such as Management by Objectives (MBO).
Modern	Emphasizes systematic deployment of strategic goals and the key organizational activities. The <i>Japanese</i> call this <i>Hoshin Kanri</i> or Policy Deployment. <u>Note:</u> Modern management, influenced by Total Quality Management (TQM), integrates <ul style="list-style-type: none">• Hoshin Planning (see below).• Cross-functional management.• Daily management.
Cross-functional	Assures that different organizations support each other to achieve overarching goals. Cross-functional management uses quality boards and teams to align organizational efforts.
Daily	Carried out by every employee and includes <ul style="list-style-type: none">• mission performance.• process improvement.• time management.

Hoshin Planning

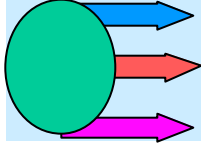


Managers should direct program and daily planning efforts toward strategic planning goals. The modern approach of TQM known as *Hoshin Kanri*, Hoshin Planning, or Policy Deployment is very effective in aligning organizational efforts toward strategic planning.

Continued on next page

Linkages to Strategic Planning, Continued

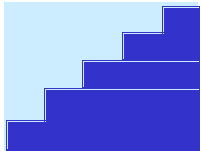
Emphasis



Hoshin Planning emphasizes a few over-arching (strategic) goals linked to the vision of an organization. It is somewhat cyclical and begins at senior management of the organization with strategic planning.

Managers translate longer-range goals into annual goals. Only one to three goals are selected each year, with substantial organizational results achieved after three to five years.

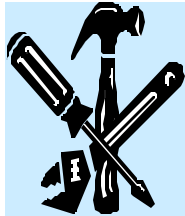
Deploying annual goals



Managers deploy annual goals by defining objectives and measures at each level of the organization.

The measure for the higher level is translated to the objective for the next lower level. This linkage continues down the organization to teams and individual employees.

Tools



The following is a list of tools used in program and daily management:

- Vision and mission statements.
 - Needs assessments and marketing surveys.
 - Operating procedures.
 - Calendars and PERT charts.
 - Project tracking software.
 - Job descriptions.
 - Performance plans.
 - Electronic mail.
 - Newsletters, reports and other correspondence.
 - Customer complaints or satisfaction surveys.
 - Various types of charts and diagrams.
 - Automated data bases.
-

Lesson 9—End-of-Lesson Exercises

Instructions

Answer TRUE or FALSE.

- _____ 1. The first step in the nine-step model of strategic planning is a values audit.
 - _____ 2. Contingency plans prepare the organization for unforeseen or unusual events occurring during the year.
 - _____ 3. Strategic planning is neither short-term nor long-term.
 - _____ 4. *Traditional* management emphasizes goals and objectives, such as Management by Objectives (MBO).
 - _____ 5. *Cross-functional* management emphasizes systematic deployment of strategic goals.
 - _____ 6. *Daily* management assures that different organizations support each other in achieving overarching goals.
-

Lesson 9—Answer Key and Feedback

Instructions	Correct answers and page references cited below.
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- | | |
|--------------|---|
| <u>FALSE</u> | 1. The first step in the nine-step model of strategic planning is a values audit.
(Page 9-2, Step 1, Planning to plan) |
| <u>TRUE</u> | 2. Contingency plans prepare the organization for unforeseen or unusual events occurring during the year. (Page 9-2, Step 8) |
| <u>TRUE</u> | 3. Strategic planning is neither short-term nor long-term. (Page 9-3, Scope) |
| <u>TRUE</u> | 4. <i>Traditional</i> management emphasizes goals and objectives, such as Management by Objectives (MBO). (Page 9-4, Traditional) |
| <u>FALSE</u> | 5. <i>Cross-functional</i> management emphasizes systematic deployment of strategic goals. (Page 9-4, Modern) |
| <u>FALSE</u> | 6. <i>Daily</i> management assures that different organizations support each other in achieving overarching goals. (Page 9-4, Cross-functional) |
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